



NOTICE OF MEETING

Alexandra Palace and Park Board

THURSDAY, 15TH OCTOBER, 2009 at 19:30 HRS - THE LONDESBOROUGH ROOM,
ALEXANDRA PALACE, ALEXANDRA PALACE WAY, WOOD GREEN, LONDON N22.

Councillors:

Councillor Egan (Chair), Hare, C. Harris, Peacock, Scott, Thompson (Vice Chair) and Williams

Non-voting representatives:

Ms V. Paley, Mr M. Tarpey and Mr N Willmott
(Alexandra Palace and Park Consultative Committee).

Observer:

Mr D. Liebeck (Chair, Alexandra Park and Palace Advisory Committee).

AGENDA

1. APOLOGIES FOR ABSENCE

2. URGENT BUSINESS

The Chair will consider the admission of any late items of urgent business. (late items will be considered under the agenda item where they appear. New items will be dealt with at items 9 & 12 below)

3. DECLARATIONS OF INTEREST

A member with a personal interest in a matter who attends a meeting of the authority at which the matter is considered must disclose to that meeting the existence and nature of that interest at the commencement of that consideration, or when the interest becomes apparent.

A member with a personal interest in a matter also has a prejudicial interest in that matter if the interest is one which a member of the public with knowledge of the relevant facts would reasonably regard as so significant that it is likely to prejudice the member's judgment of the public interest and if this interest affects their financial position or the financial position of a person or body as described in paragraph 8 of the Code of Conduct and/or if it relates to the determining of any approval, consent, licence, permission or registration in relation to them or any person or body described in paragraph 8 of the Code of Conduct.

- 4. QUESTIONS, DEPUTATIONS OR PETITIONS : TO CONSIDER ANY QUESTIONS, DEPUTATIONS OR PETITIONS RECEIVED IN ACCORDANCE WITH PART 4, SECTION B29 OF THE COUNCIL'S CONSTITUTION**
- 5. SIGNING OFF OF STATUTORY ACCOUNTS FOR THE FINANCIAL YEAR 2008/09 AND LETTER OF REPRESENTATION AND REPORT OF THE AUDITORS (PAGES 1 - 68)**
- 6. GOVERNANCE UPDATE - TO FOLLOW**
Report of the General Manager – Alexandra Palace
- 7. THEATRE UPDATE (PAGES 69 - 92)**
Report of the General Manager – Alexandra Palace
- 8. INVESTMENT CONSIDERATIONS (PAGES 93 - 98)**
Report of the General Manager – Alexandra Palace
- 9. NEW ITEMS OF UNRESTRICTED URGENT BUSINESS**
To consider any new items of urgent business admitted under item 2 above.
- 10. EXCLUSION OF THE PUBLIC AND PRESS**

The following item is likely to be subject of a motion to exclude the press and public from the meeting as it contains exempt information as defined in Section 100a of the Local Government Act 1972; information relating to the business or financial affairs of any particular person (including the authority holding that information)

Note by the Deputy Head of Local Democracy and Member Services

Item 11 allows for the consideration of exempt information (if required) in relation to Item 8 which appears earlier on the agenda.

11. INVESTMENT CONSIDERATIONS (PAGES 99 - 106)

Report of the General Manager – Alexandra Palace

12. NEW ITEMS OF EXEMPT URGENT BUSINESS

To consider any new items of urgent business admitted under item 2 above.

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7 October 2009

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Agenda item: 5

ALEXANDRA PALACE & PARK BOARD**On 15th October 2009**

Report Title: **Approval of Annual Report and Consolidated Accounts 2008/09**

Report of: **Interim General Manager, Alexandra Palace & Park**

1. Purpose

1.1 To approve the Annual Report and Consolidated Accounts of the Trust for the year ended 31st March 2009

2. Recommendations

2.1 The Board review the contents of the letter of representations and nominate the Chair to sign the letter on behalf of the charity.

2.2 The trustees consider whether there are any declarations of interest or related party transactions which should be declared. If no such declarations are required, each trustee must sign the relevant declaration to that effect.

2.3 The Board approves the Annual Report and Consolidated Accounts for 2008/09 and nominates the Chair to sign them on behalf of the Trust for submission to the Charities Commission.

2.4 The Board notes the content of the report provided by Deloitte on the audit of the consolidated financial statements for the year ended 31st March 2009

Report Authorised by: **Andrew Gill, Interim General Manager**

A handwritten signature in blue ink, appearing to be 'AG', is written next to the name Andrew Gill.

Contact Officer: Helen Downie, Head of Finance, Alexandra Palace & Park, Alexandra Palace Way, Wood Green, London N22 7AY. Telephone number 0208 365 4310.

3. Executive Summary

3.1 The audit of the Trust and its wholly owned Trading subsidiary for the financial year ended 31st March 2009 is now complete and an unqualified audit opinion has been given. The Report and Accounts are attached as Appendix 1 to this report.

3.2 Prior to the signing of the accounts, the Board is asked to consider and approve the letter of representations to the auditors in relation to the accounts for the year ended 31st March 2009. This is included as Appendix 2 to this report.

3.3 Deloitte have produced a report to the Board on their findings relating to the audit of the accounts of the Trust and Trading Company and this is attached as Appendix 3 to this report.

4. Reasons for any change in policy or for new policy development (if applicable)

4.1 N/A

5. Local Government (Access to Information) Act 1985

5.1 No specific background papers were used in compiling this report.

6. Report and Accounts for the year ended 31st March 2009

- 6.1 The draft results for the 2008/09 financial year were presented to the Board at the meeting of 30th June 2009. The net deficit reported at that meeting, before the gift aid payment from the Trading Company, was £2,449,905. The only adjustment to the Trust accounts since that report has been the removal of an amount due from English Heritage of £29,145, leading to a corresponding reduction in restricted income. The debt was recognised in a previous year but has now been removed as it is no longer considered virtually certain that these funds will be received.
- 6.2 The format of the Trustees' Report is largely unchanged from the previous year. The Trustees' Report was circulated to trustees by email for review and comment on the 22nd September, with a request for feedback by 28th September. To date, no feedback has been received.
- 6.3 The Board's attention is drawn to the requirement to sign the letter of representation. A formal copy will be available for signature at the meeting once the Board has concluded its consideration of the Report and Accounts.
- 6.4 The Board's attention is also drawn to the requirement to declare related parties and related party transactions. The individual charity trustees comprising the Board are asked to formally consider whether they have engaged in transactions covered by these definitions and if so, to declare this on the relevant forms, which will be provided at the meeting. If not, a declaration should be signed to that effect.
- 6.5 The auditors' report to the Board is attached at Appendix 3. The auditors have issued an unqualified audit opinion on the accounts.
- 6.6 The Board should note that the external audit of the Trust and Trading Company is currently in the process of being re-tendered. A report on this matter will form part of the agenda for the November meeting.

7. Consultation

7.1 N/A

8. Legal and Financial Comments

8.1 The Trust's Solicitor has been sent a copy of this report and his comments have been reflected in the report.

8.2 The LBH CFO has been sent a copy of this report and his comments are as follows:

"I welcome the report and the accounts presented with an unqualified auditor's opinion. I recommend that the Board receive an update report on progress against the auditor's recommendations in due course".

9. Equalities Implications

9.1 There are no perceived equalities implications in this report.

10. Use of Appendices / Tables / Photographs

10.1 Appendix I – Annual Report and Consolidated Financial Statements for the year ended 31st March 2009

10.2 Appendix 2 – Letter of representations

10.3 Appendix 3 – Report of the Auditors

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ALEXANDRA PARK AND PALACE CHARITABLE TRUST

APPENDIX 1

**TRUSTEES' ANNUAL REPORT AND CONSOLIDATED FINANCIAL
STATEMENTS FOR THE YEAR ENDED 31 MARCH 2009**

ALEXANDRA PARK AND PALACE CHARITABLE TRUST

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ALEXANDRA PARK AND PALACE CHARITABLE TRUST

Trustees' Annual Report for the year ended 31 March 2009

1. INTRODUCTION

- 1.1 The trustees are pleased to present their annual report for Alexandra Park and Palace Charitable Trust ("the Trust"), together with the Trust's consolidated financial statements, for the year ended 31 March 2009, prepared in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities (SORP 2005) and applicable UK accounting standards.

2. REFERENCE AND ADMINISTRATIVE INFORMATION

Charity number	281991
Interim General Manager	Andrew Gill
Registered Office	Alexandra Palace Alexandra Palace Way Wood Green London, N22 7AY
Auditors	Deloitte LLP Chartered Accountants & Registered Auditors 2 New Street Square London, EC4A 3EZ
Bankers	Royal Bank of Scotland Plc 280 Bishopsgate London EC2M 4RB
Solicitors	Howard Kennedy 19 Cavendish Square London, W1A 2AW

Trustees

The following were members of the Board of Trustees during the year:

Councillor Matt Cooke	(Resigned 9 December 2008)
Councillor Patrick Egan (Chair of the Board)	(Vice Chair to 9 December 2008, appointed Chair 9 December 2008)
Councillor Dilek Dogus	(Appointed Vice-Chair 9 December 2008, resigned 18 May 2009)
Councillor Bob Hare	
Councillor John Oakes	(Resigned 18 May 2009)
Councillor Sheila Peacock	
Councillor Sheik Thompson (Vice Chair of the Board)	(Appointed 18 May 2009)
Councillor Alan Stanton	(Appointed 9 December 2008, resigned 18 May 2009)
Councillor Neil Williams	
Councillor Nigel Scott	(Appointed 18 May 2009)
Councillor Catherine Harris	(Appointed 18 May 2009)

ALEXANDRA PARK AND PALACE CHARITABLE TRUST

3. STRUCTURE, GOVERNANCE AND MANAGEMENT

The Governing Document

- 3.1 The Alexandra Park and Palace (Public Purposes) Act 1900 constituted a trustee body corporate to maintain and manage Alexandra Park and Palace. Subsequent Acts of Parliament in 1903, 1905 and 1913 conferred further powers on the trustees. In 1966, an order transferred the functions of the trustees to the now defunct G.L.C. Following a court case in 1967, the trusts declared by the 1900 Act were held to be valid charitable trusts, although they were not registered with the Charity Commission until March 1981. The trusts were transferred to the London Borough of Haringey which became the trustee on 1 January 1980. Subsequent to a major fire in July 1980 and a Public Inquiry which ended in 1983, the Alexandra Park and Palace Act 1985 amended the previous legislation in significant parts.
- 3.2 In February 2004, The Charities (Alexandra Park and Palace) Order 2004 came into force. This empowers the trustees to lease the whole or part or parts of the Palace and its immediate surrounding area for a term not exceeding 125 years subject to obtaining the consent by order made under the Charities Act 1993 of the Charity Commissioners. The Order does not amend the purposes for which either the Park or Palace are held in trust. The governing documents for the Trust are now collectively known as the Alexandra Park and Palace Acts and Orders 1900-2004.

The Governing Body and Appointment of Trustees

- 3.3 The Council of the London Borough of Haringey is trustee of the Trust. The Council delegates the entire function of trustee to the Alexandra Park and Palace Board. The Council annually elects individual members to sit on the Alexandra Park and Palace Board to act as the charity trustees. The appointments reflect the political balance of the Council. The Charity trustees are those persons having the general control and management of the administration of the Trust.
- 3.4 The charity trustees are members of the Council but must act exclusively in the best interests of the Trust when dealing with Trust matters. The Council may elect different charity trustees each municipal year. However, all charity trustees step down for the local government elections. Those re-elected may be re-appointed at the annual general meeting of the Council held in May of each year.
- 3.5 In addition, three members of the Consultative Committee sit on the Board each year but those appointed are not charity trustees and do not have any voting powers. For the year ended 31 March 2009 they were:
- Mrs Val Paley
Mr Mike Tarpey
Mr Nigel Willmott
- 3.6 The Chair of the Statutory Advisory Committee (see paragraph 3.12) also formally attends the Board meetings in an observer capacity. For the year ended 31 March 2009 it was Mr David Liebeck.
- 3.7 The London Borough of Haringey has been advised by Leading Counsel that the Trust 'is a function of the Council' as defined in Section 101 of the Local Government Act 1972. The Trust is therefore subject to the full range of local government legislation by virtue of this advice in addition to the specific charity legislation.

ALEXANDRA PARK AND PALACE CHARITABLE TRUST

Trustee Induction and Training

- 3.8 At the beginning of each municipal year, a trustee induction meeting is arranged and takes place under the auspices of the charity's solicitors. The charity trustees are provided with the governing document together with key reports, minutes of previous meetings and audited accounts for the previous three financial years. Further training is considered on an individual basis.

Organisational Management

- 3.9 The Alexandra Park & Palace Board ("the Board") meet as charity trustees to consider matters of policy, strategy and objectives. The charity trustees hold a set programme of meetings each year. Other special meetings may be called from time to time. During the year ended 31 March 2009 the Board held 4 ordinary meetings together with 5 special meetings.

- 3.10 The Board conducts its business under the delegations provided from the corporate trustee as follows:

The Council has delegated to the Board all the functions of the Council as Trustee of Alexandra Park and Palace under the Alexandra Park and Palace Acts and Orders 1900 to (now) 2004 and, without prejudice to the generality of this, these functions include:

- a) *The duty to uphold, maintain and repair the Palace and to maintain the Park and Palace as a place of public resort and recreation and for other public purposes;*
- b) *Acting as the employing body for employees engaged in the working of the Trust at Alexandra Palace, and to be responsible for the setting of staffing policies, conditions of service and terms of employment of those employees; and*
- c) *In relation to the Trust, being responsible for developing and monitoring the implementation of effective policies and practices to achieve equality of opportunity both for employment and service delivery.*

The Board also appoints a panel of members to consider matters of urgency. The panel met on 1 occasion during the financial year.

- 3.11 The day to day organisation and management of the charity is delegated to the Interim General Manager, Andrew Gill.

The Statutory Advisory Committee

- 3.12 The Alexandra Park and Palace Board receives advice from the Statutory Advisory Committee which was established under Section 9 of the Alexandra Park and Palace Act 1985. The role of the Advisory Committee is set out in Schedule 1, Part III Section 19 of that Act, which reads:

The powers and duties of the Advisory Committee shall be to promote the objects of the Trust and assist the trustees in fulfilling the trusts by considering and advising the trustees on the following matters:

1. *The general policy relating to the activities and events arranged or permitted in the Park and Palace;*
2. *The effects of such activities and events on the local inhabitants and local environment;*
3. *The frequency of activities and events attracting more than 10,000 people at any one time and the maximum number to be permitted on such occasions;*
4. *The adequacy of car parking arrangements within the Park and Palace so as to avoid overflow into adjoining residential streets;*
5. *Any proposals which require planning permission;*
6. *The establishment and maintenance of the Park as a Metropolitan Park; and*
7. *The furtherance of recreation and leisure in Alexandra Park and Palace.*

ALEXANDRA PARK AND PALACE CHARITABLE TRUST

The Consultative Committee

3.13 The trustees have established a Consultative Committee which does not have a statutory role but whose existence allows those organisations who have an interest in Alexandra Park and Palace to exchange views with and receive information from the Trust. The objects of the Consultative Committee are set out in its constitution as:

- 1) *To give representatives of appropriate local and national organisations the opportunity of full discussion on general matters affecting Alexandra Park and Palace;*
- 2) *To give the Board of Charity Trustees the opportunity of discussing and explaining to the organisations matters affecting the overall policy and efficient management of Alexandra Park and Palace;*
- 3) *To promote better understanding between the Board of Charity Trustees and local organisations;*
- 4) *To enable appropriate local (and national) organisations to participate in decisions of direct concern to them; and*
- 5) *To further Alexandra Park and Palace as a conservation area.*

Group Structure and Relationships

3.14 The charity has a wholly owned non-charitable trading subsidiary, Alexandra Palace Trading Ltd. whose objectives and performance are described in paragraphs 4.2 and 5.1 below.

Risk Management

3.15 The trustees have overall responsibility for ensuring that adequate systems of control, financial and otherwise, exist. They are responsible for safeguarding the assets of the charity, taking reasonable steps for the prevention and detection of fraud and other regularities and providing reasonable assurance that;

- The charity is operating efficiently and effectively;
- Its assets are safeguarded against unauthorised use or disposal;
- Proper records are maintained and financial information is reliable; and
- The charity complies with relevant laws and regulations.

The Board of Trustees is committed to reviewing and improving its governance arrangements and a project steering group has been established to drive this forward. Input from key stakeholders is being sought via a Stakeholders' Forum, to include groups such as the Statutory Advisory and Consultative Committees.

3.16 The system of internal financial control is based on a framework of regular management information, administrative procedures, including the segregation of duties, and a system of delegation and accountability. The Trustees have a process to identify, review and manage the significant risks faced by the Trust, including:

- the development of a compliance matrix and health and safety risk register;
- comprehensive budgeting systems with an annual budget which is agreed by the Board;
- regular monitoring by the trustees of periodic and annual financial reports which show performance against budget forecasts at each meeting of the Board;
- setting targets to measure financial and other performance; and
- the Board agreeing the expenditure on the building and park to ensure its appropriateness in meeting the basic objects of the charity

The systems can only provide a reasonable and not absolute assurance that assets are safeguarded, transactions are authorised and properly recorded, and that material errors or irregularities are either prevented or would be detected within a timely period.

ALEXANDRA PARK AND PALACE CHARITABLE TRUST

Volunteers

- 3.17 The charity employs a number of volunteers in the conservation area and the Information Centre and plans to develop further volunteering opportunities over the coming years. The charity would like to thank all its volunteers for their very valuable contribution to Alexandra Palace during the year.

4. OBJECTS AND ACTIVITIES

Charitable Objects

- 4.1 The principal object of Alexandra Park and Palace Charitable Trust is the maintenance as an open space and provision of the Park and Palace for the free use and recreation of the public forever, as defined in the 1985 Act.

Activities

- 4.2 In shaping the Trust's objectives and planning its activities for the year, the trustees have considered the Charity Commission's guidance on public benefit. The Trust's core areas of activity include:
- a) The provision and maintenance of the park for free use by the public, including the establishment and replacement of park footpaths and trails, the provision of a nature/wildlife conservation area, the planting of arboreta, ornamental flowerbeds and rose gardens, upkeep and improvement to a boating lake, children's zoo, children's play area, a pitch and putt course, a skateboard park, cricket pitches, football fields and associated car parking;
 - b) The provision of free outdoor events, including bonfire night fireworks display, school tours, and other entertainment, a bicycle trail, together with children's funfairs, bank holiday funfairs and the provision of displays and mini exhibitions;
 - c) The continued expenditure on the Victorian building, including the original theatre and organ; the original high definition television studios and the maintenance of areas within the Palace to provide a safe environment for the public; and
 - d) The hiring of space and the provision of catering for a wide range of public and private events including conferences, banquets, weddings and exhibitions, the running of The Phoenix public house and the ice rink. These activities are carried out via the Trust's wholly owned trading subsidiary, Alexandra Palace Trading Limited. The company's profits are paid annually to the Trust via gift aid to contribute towards the fulfilment of the Trust's charitable objectives.

Achievements for the year

- 4.3 The 79 hectares of parkland continue to be a strong public attraction for both formal and informal recreation purposes. The park was awarded a Green Flag in 2008/09 in recognition of the hard work of staff, contractors and volunteers towards creating an environment that is clean, well maintained and welcoming to visitors. The Green Flag has been successfully retained in 2009/10.
- 4.4 The Trust continues to work with local groups that support the Palace and Park. A local bird watching group has been awarded a grant to carry out habitat improvement works in the conservation area of the park. Haringey Council has also awarded £2,000 for tree work, new ditches and reed beds and £13,000 was secured from the Environment Agency to improve habitats around the boating lake.
- 4.5 Together with the Friends of Alexandra Park, the Trust operates a small Park Information Centre offering advice, information and interpretative material, which is staffed by volunteers and opens once a month. During the year, our volunteers also made a substantial contribution to creating new interpretative material on birdlife, fungi, park history and nature.

ALEXANDRA PARK AND PALACE CHARITABLE TRUST

- 4.6 In pursuance of its basic objects, the charity continued to provide a number of permanent facilities including a boating lake, animal enclosures and cycle routes. The charity also organised an annual fireworks display attended by some 60,000 members of the public in November. The charity continues to work with other community and voluntary organisations to deliver low cost, high quality events, including a fortnightly farmers' market, children's funfair, circus, charity events and wildlife walks.
- 4.7 Alexandra Palace Trading Limited delivered a profit in its first full year of trading since signing a new operating licence with the Trust in January 2008. The company continues to offer a schedule of diverse and well attended events, securing repeat and loyal business to Alexandra Palace. In addition, a four year deal was struck to stage the World Darts Championships. The success of the event across Christmas and New Year 2008/09 was evident in the 30% increase in attendees and the volume of beverage sales generated as well as the positive media coverage of the Palace.

Other developments

- 4.8 In Autumn 2005, the Board resolved to appoint an investment partner with the aim of securing sufficient investment to enhance and develop the charity's principal building (which is currently 40% derelict) and bring it into more effective use. Following an open selection process, the Firoka Group was appointed as preferred investment partner on 30 January 2006. On 24 July 2006, the Board formally resolved to seek an order from the Charity Commission consenting to the grant of a 125 year lease to the Firoka Group. The Charity Commission sealed the Order consenting to the lease on 4 May 2007. On 9 May 2007, a short-term licence was agreed between Alexandra Park and Palace Charitable Trust and the Firoka Group in order to facilitate the efficient transfer of the business and staff to the Firoka Group.
- 4.9 However, the Charity Commission Order of 4 May 2007 was subsequently challenged in proceedings seeking a judicial review. On 5 October 2007, the court declared that the Charity Commission Order of 4 May 2007 was unlawful. In the light of this decision, it became apparent that progress on the project would not be possible before the end of the financial year and the Board therefore resolved in early December 2007 to give 28 days notice determining the short-term licence arrangement in January 2008. On 18 August 2008, the Firoka Group gave notice that they were withdrawing their interest in the project.
- 4.10 On 25 March 2009, a pre action protocol letter of claim was submitted by solicitors acting for Firoka (Alexandra Palace) Ltd and Firoka (Kings Cross) Ltd (Firoka) against the Council as trustee of Alexandra Park and Palace Charitable Trust. The letter asserted that the trustee was in breach of contract and intimated Firoka's intention to claim damages for breach of contract, specified as the failure of the trustee to complete the grant of a long lease of the Palace to Firoka and to enter into other related commercial agreements with Firoka. The value of this claim is £6.234 million.
- 4.11 On 26 May 2009, a detailed response was sent by solicitors acting for the Council as trustee denying any liability. The matter remains the subject of ongoing correspondence. No legal proceedings have been commenced and no provision has been made in the Trust's accounts for this claim. The information normally required under FRS12 is not disclosed on the basis that it can be expected to seriously prejudice the outcome of this matter.

ALEXANDRA PARK AND PALACE CHARITABLE TRUST

5. FINANCIAL REVIEW

- 5.1 The Trust continues to benefit from substantial funding from its corporate trustee, London Borough of Haringey. All the available net revenue income is directed toward the provision and maintenance of the assets, namely the 79 hectares of parkland and the Grade II listed Victorian property. The charity does not have any capital reserves or alternative sources of funding and has not therefore considered it appropriate to develop a formal reserves policy. Trust expenditure is guided by the basic objects of the Trust and aimed toward maximising public benefit from the provision of the Palace and Park. The decisions on items of expenditure are made with independent professional advice, where necessary, in the overall context of the available budget.

Alexandra Park and Palace Charitable Trust is considered a going concern due to the ongoing financial support of the corporate trustee. It is the Council's current policy to continue to provide funding to the Alexandra Park and Palace Charitable Trust until such time as the support of the Council is no longer required. The Council has confirmed in writing that it has considered and approved within its budgets funding, including ongoing revenue support, for the Trust for a period of not less than twelve months from the date of signing the accounts.

The results of Alexandra Palace Trading Limited are shown in Note 14 of the accounts. 2008/09 has been an exceptionally tough year for the events industry and the Trading Company had barely recommenced trading when the economic climate changed beyond recognition. Despite the recession and a huge leap in the cost of overheads, APTL still delivered a profit, before gift aid, of £435k. Although half the anticipated return at the start of the year, the result was encouraging given the adverse economic conditions and the lessons learned have been applied to future budget setting and cost control.

The Trust's running costs are calculated at £2.8 million and include substantial expenditure on repairs to the building and equipment, maintenance of the building and park and security. Total income generated of £0.8 million results in an overall funding shortfall of £2 million. This shortfall is met by the London Borough of Haringey.

- 5.2 In addition there is a cumulative sum of £39 million representing cumulative operating deficits of £22 million and associated accumulated interest charges of £17 million for the years 1989-2004.

The corporate trustee has previously made arrangements for the funding of the deficit on an annual basis but has now written off that sum in its accounts. However, as disclosed in the London Borough of Haringey accounts the Council has not discharged this debt on the basis that it will still collect should the Trust be in a position in the future to fully or partially repay. On this basis the trustees have continued to carry the liability in the Trust's accounts.

ALEXANDRA PARK AND PALACE CHARITABLE TRUST

Statement of trustees' responsibilities

- 5.3 The trustees are responsible for preparing the Annual Report and the financial statements. The trustees have chosen to prepare the financial statements for the charity and the Group in accordance with United Kingdom Generally Accepted Accounting Practice (UK GAAP).

United Kingdom charity law requires the trustees to prepare such financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the Group and of the financial activities for that period. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed; and
- prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and the Group and which enable them to ensure that the financial statements comply with the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP 2005). They are also responsible for safeguarding the assets of the charity and the Group and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

Future Plans

- 5.4 During the forthcoming year, the Trustees plan to consider the various strategic options available for dealing with the dereliction of the main building and decide on the future strategic direction of the Trust.

Whilst considering the long term need to address the condition of the building, the trustees intend that the delivery of the current charitable activities will continue and that delivery of commercial activities by the trading company will also continue and that wherever possible, both charitable and commercial activities will be expanded.

Related Parties

- 5.5 The Alexandra Park and Palace Charitable Trust does not have any formal links with other charities. It does, however, work closely with other charities through the facilities provided for community uses and the relationship with the Consultative Committee, whose membership comprises representatives of many local charitable organisations.
- 5.6 The “friends” group for the theatre was set up to promote activities to raise awareness of and funds for the refurbishment of the Victorian theatre. The theatre group has benefited from wide publicity and has attracted some high profile celebrities as patrons to support its work.
- 5.7 The other relevant body with whom the Trust has direct links is Haringey Council as corporate trustee. The registered address of the Council is Civic Centre, High Road, Wood Green, London N22 8LE.

ALEXANDRA PARK AND PALACE CHARITABLE TRUST

Auditors

The Board of Alexandra Park and Palace Charitable Trust has resolved to tender the provision of external audit services to the Trust and Trading company with effect from the financial year ended 31 March 2010.

This report was approved and authorised for issue by the Trust on 15th October 2009 and signed on its behalf by:

Councillor Patrick Egan
Chair of the Board of Trustees

ALEXANDRA PARK AND PALACE CHARITABLE TRUST

Independent Auditors' Report to the Trustees of Alexandra Park and Palace Charitable Trust

We have audited the group and parent charity financial statements of Alexandra Park and Palace Charitable Trust for the year ended 31 March 2009 which comprise the Consolidated Statement of Financial Activities, the Trust Statement of Financial Activities, the Consolidated and Trust Balance Sheets, the Consolidated Cash Flow Statement and the related notes 1 to 26. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the charity's trustees, as a body, in accordance with section 43 of the Charities Act 1993 and regulations made under section 44 of that Act and The Alexandra Park and Palace (Public Purposes) Act 1900. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

The trustees' responsibilities for preparing the Annual Report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Trustees' Responsibilities.

We have been appointed as auditors under section 43 of the Charities Act 1993 and report in accordance with regulations made under section 44 of that Act and The Alexandra Park and Palace (Public Purposes) Act 1900. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Charities Act 1993 and the Alexandra Park and Palace (Public Purposes) Act 1900. We also report to you if, in our opinion, the trustees' report is not consistent with the financial statements, if the charity has not kept proper accounting records or if we have not received all the information and explanations we require for our audit.

We read the other information contained in the Annual Report. This other information comprises only the Trustees' Report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any further information outside the Annual Report.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the group's and charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

ALEXANDRA PARK AND PALACE CHARITABLE TRUST

Independent Auditors' Report to the Trustees of Alexandra Park and Palace Charitable Trust (continued)

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the group and the parent charity's affairs as at 31 March 2009 and of the group's incoming resources and application of resources for the year then ended; and
- the financial statements have been properly prepared in accordance with the Charities Act 1993 and the Alexandra Park and Palace (Public Purposes) Act 1900.

Deloitte LLP

Chartered Accountants and Registered Auditors
London

ALEXANDRA PARK AND PALACE CHARITABLE TRUST**Consolidated Statement of Financial Activities for the year ended 31 March 2009**

		Unrestricted Funds	Restricted Funds	Total 2009	Total 2008
	Note	£	£	£	£
Incoming resources:					
Incoming resources from generated funds					
Voluntary income	3	365	(28,305)	(27,940)	606,638
Activities for generating funds	4	5,494,857	-	5,494,857	1,713,933
Incoming resources from charitable activities	5	221,113	-	221,113	285,920
Investment income	6	59,958	-	59,958	59,065
Other incoming resources		741	-	741	80
Total incoming resources		5,777,034	(28,305)	5,748,729	2,665,636
Resources expended:					
Cost of generating funds					
Fundraising Trading cost of goods sold and other costs		4,960,933	-	4,960,933	1,328,098
Charitable activities		2,730,259	-	2,730,259	4,204,444
Governance costs		101,005	-	101,005	93,792
Total Resources expended	7, 10	7,792,197	-	7,792,197	5,626,334
Net outgoing resources before other recognised losses		(2,015,163)	(28,305)	(2,043,468)	(2,960,698)
Actuarial (loss)/gain on pension scheme		(275,000)	-	(275,000)	80,000
Net movement in funds		(2,290,163)	(28,305)	(2,318,468)	(2,880,698)
Opening deficit fund balance 1 April		(36,428,766)	39,374	(36,389,392)	(33,508,694)
Closing deficit fund balance	22	(38,718,929)	11,069	(38,707,860)	(36,389,392)

The notes on pages 16 to 34 form an integral part of these financial statements. All of the above amounts are derived from continuing activities.

ALEXANDRA PARK AND PALACE CHARITABLE TRUST**Trust Statement of Financial Activities for the year ended 31 March 2009**

	Note	Unrestricted Funds £	Restricted Funds £	Total 2009 £	Total 2008 £
Incoming resources:					
Incoming resources from generated funds					
Voluntary income	3	365	(28,305)	(27,940)	306,638
Activities for generating funds	4	617,934	-	617,934	713,000
Incoming resources from charitable activities					
	5	221,113	-	221,113	285,920
Other incoming resources		741	-	741	80
Total incoming resources		840,153	(28,305)	811,848	1,305,638
Resources expended:					
Charitable activities		2,730,259	-	2,730,259	4,204,444
Governance costs		92,405	-	92,405	65,792
Total Resources expended	7	2,822,664	-	2,822,664	4,270,236
Net outgoing resources		(1,982,511)	(28,305)	(2,010,816)	(2,964,598)
Opening deficit fund balance 1 April		(36,221,883)	39,374	(36,182,509)	(33,217,911)
Closing deficit fund balance as at 31 March	22	(38,204,394)	11,069	(38,193,325)	(36,182,509)

The notes on pages 16 to 34 form an integral part of these financial statements. All of the above amounts are derived from continuing activities. There were no other recognised gains or losses in either year except for those dealt with above.

ALEXANDRA PARK AND PALACE CHARITABLE TRUST**Consolidated and Trust Balance Sheets as at 31 March 2009**

	Note	Group 2009	Group 2008	Trust 2009	Trust 2008
		£	£	£	£
Fixed assets					
Tangible assets	13	429,827	490,472	425,571	484,798
Investments	14	-	-	2	2
		429,827	490,472	425,573	484,800
Current assets					
Stocks	15	71,666	69,444	-	-
Debtors	16	982,072	819,090	938,203	1,143,393
Cash at bank and in hand		1,254,555	1,792,575	182,119	300
		2,308,293	2,681,109	1,120,322	1,143,693
Creditors					
Amount falling due within one year	17	(1,929,331)	(2,105,055)	(621,571)	(447,084)
Net current assets		378,962	576,054	498,751	696,609
Total assets less current liabilities		808,789	1,066,526	924,324	1,181,409
Provisions for liabilities	19	(39,117,649)	(37,363,918)	(39,117,649)	(37,363,918)
Net Liabilities excluding pension scheme liability		(38,308,860)	(36,297,392)	(38,193,325)	(36,182,509)
Defined benefit pension scheme liability	25	(399,000)	(92,000)	-	-
Net Liabilities including pension scheme liability		(38,707,860)	(36,389,392)	(38,193,325)	(36,182,509)
Accumulated Funds					
Unrestricted deficit funds		(38,319,929)	(36,336,766)	(38,204,394)	(36,221,883)
Pension reserve		(399,000)	(92,000)	-	-
	20	(38,718,929)	(36,428,766)	(38,204,394)	(36,221,883)
Restricted Funds	21	11,069	39,374	11,069	39,374
Total Funds		(38,707,860)	(36,389,392)	(38,193,325)	(36,182,509)

Approved by the Board of Trustees on 15th October 2009 and signed on its behalf by:

Councillor Patrick Egan

The notes on pages 16 to 34 form an integral part of these financial statements.

ALEXANDRA PARK AND PALACE CHARITABLE TRUST**Consolidated Cash Flow Statement for the year ended 31 March 2009**

	Group 2009	Group 2008
	£	£
Net cash (outflow)/inflow from operating activities	(549,958)	704,038
Returns on investments		
Interest received	59,958	59,065
Capital expenditure		
Payments to acquire tangible fixed assets	(48,020)	(29,527)
(Decrease)/increase in cash	(538,020)	733,576
Cash at 1 April	1,792,575	1,058,999
Cash at 31 March	1,254,555	1,792,575

Note to the consolidated cash flow statement

	Group 2009	Group 2008
	£	£
Reconciliation of net outgoing resources to net cash (outflow)/inflow from operating activities		
Net outgoing resources before other recognised losses	(2,043,468)	(2,960,698)
Depreciation	108,665	111,463
Charges less than/(in excess of) pension contributions	32,000	(130,000)
Interest receivable	(59,958)	(59,065)
(Increase)/decrease in stocks	(2,222)	53,416
Increase in debtors	(162,982)	(107,379)
(Decrease)/increase in creditors	(175,724)	1,006,616
Increase in provisions	1,753,731	2,789,685
Net cash (outflow)/inflow from operating activities	(549,958)	704,038

ALEXANDRA PARK AND PALACE CHARITABLE TRUST

Notes to the Financial Statements for the year ended 31 March 2009

1. Basis of accounting

The financial statements have been prepared under the historical cost convention and have been prepared in accordance with the Statement of Recommended Practice Accounting and Reporting by Charities (SORP 2005), and applicable accounting standards.

2. Accounting policies

(a) Basis of consolidation

The consolidated financial statements comprise those of the Trust and its wholly-owned subsidiary, Alexandra Palace Trading Limited. The results of the subsidiary are consolidated on a line by line basis.

(b) Fund accounting and permanent endowment

Under the terms of the Alexandra Park and Palace Act 1985, the freehold and fixed assets of the Trust cannot be permanently disposed of. Under the terms of the Charities Act 1993 and the SORP 2005, these are inalienable assets and may be considered a permanent endowment although capable of being leased.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Trust for a particular purpose. The aim and use of each restricted fund is set out in the notes to the financial statements.

The unrestricted fund represents the accumulated surpluses and deficits of the Group. The funds generated by the Trust are available for use at the discretion of the trustees in furtherance of the general objectives of the Trust.

(c) Incoming resources

All incoming resources are included in the Statement of Financial Activities when the trust is legally entitled to the income, it is virtually certain that the incoming resource will be received and the amount can be quantified with reasonable accuracy. The financial statements therefore reflect income due to the Group but not received by the end of the year. Funds received for the purchase of fixed assets are accounted for as restricted income.

The treatment of the assets provided depends upon the restriction imposed by the grant and as the fixed assets' acquisition discharges the restriction then the assets will be held in the unrestricted funds. A corresponding transfer of the associated restricted income will be made to the unrestricted fund in the year of purchase.

Deferred income within creditors is made up of payments that have been received for events that will take place in future years. By far the bulk of this sum relates to the charity's trading company, Alexandra Palace Trading Limited.

(d) Resources expended and the allocation of expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to this category. Where costs cannot be attributed to particular headings they have been allocated to activities on a basis consistent with the use of the resources. Allocated costs have been allocated on the average of floor area basis and head count basis.

Governance costs are the costs associated with the governance arrangements of the charity which relate to the general running of the charity as opposed to those costs associated with fundraising or charitable activity. Included within this category are costs associated with the strategic as opposed to day to day management of the charity's activities.

Support costs are those costs incurred in support of the expenditure on the objects of the Trust.

ALEXANDRA PARK AND PALACE CHARITABLE TRUST

2. Accounting policies (continued)

(d) Resources expended and the allocation of expenditure (continued)

These support costs are allocated across the categories of charitable expenditure, governance costs and the cost of generating funds.

(e) Investments

Fixed asset investments are shown at cost less provision for impairment in value in the Trust's accounts.

(f) Valuation of fixed assets

The Act that established the Trust and set down the framework within which it should operate places restrictions on asset disposal. It has been accepted that the Parliamentary Scheme was necessary before any redevelopment can take place. In the past no value has been put on the Park and Palace as this is deemed to be an inalienable asset as the Act of Parliament places restrictions on its disposal. With regard to assets brought forward at the beginning of the year this policy has continued as reliable cost information is not available and conventional valuation approaches lack sufficient reliability and significant costs would be involved which may be onerous compared with the additional benefit derived by users of the accounts. For new assets the Trust has adopted a policy of capitalising improvements to the buildings and other assets purchased.

Tangible fixed assets are shown at cost, less accumulated depreciation to date. Depreciation is provided on all tangible fixed assets and is calculated at rates designed to write off the cost of fixed assets over their expected useful lives. The rates applied are as follows:

Improvements to the park:	-on a straight line basis over 10 years.
Plant & machinery:	-on a straight line basis over 10 years.
Office equipment, furniture and fittings:	-on a 25% reducing balance basis.

(g) Valuation of stock

Stock consists of purchased goods for resale. Stock is valued at the lower of cost and net realisable value.

(h) Bank account

The Alexandra Park and Palace bank account is included in the arrangements for the Council's pooled account. This amount is included in the balance sheet both as an asset and as an amount due to Haringey Council.

(i) Provisions for liabilities

These accounts reflect the decision of the Attorney General that Haringey Council is entitled to indemnification for the revenue deficits for 1991/92 to 2008/2009. Haringey Council may also be entitled to indemnification for the years 1988/89 to 1990/91, and this amount has also been provided for in the accounts.

Both of these amounts include interest charged for the outstanding revenue deficits at the Council's Loan Pool Rate, up to 2004/05. No interest was charged between 2005/2006 and 2008/2009 as the Council has now written off that the debt in its accounts. However, as disclosed in the London Borough of Haringey accounts, the Council has not discharged this debt on the basis that it will still collect should the trust be in a position in the future to fully or partially repay. On this basis the trustees have continued to carry the liability in the Trust's accounts.

ALEXANDRA PARK AND PALACE CHARITABLE TRUST

2. Accounting policies (continued)

(j) Related party transactions

Because of the close and unique relationship between Haringey Council and Alexandra Park and Palace, there are a significant number of transactions between the two parties. The extent of this relationship is detailed in Note 18 to the financial statements.

(k) Leased assets

All leases are operating leases and the annual rentals are charged to the Statement of Financial Activities over the period in which the cost is incurred.

(l) Pension contributions

The Group operates a defined benefit pension scheme on behalf of certain employees of Alexandra Palace Trading Limited. The scheme is administered by Haringey Council, although the pension funds relating to the APTL employees are held in a separately managed pool within the overall Haringey scheme. The deficit on the scheme is included within the balance sheet at 31 March 2009.

The difference between the fair value of the assets held in the defined benefit pension scheme and the scheme's liabilities measured on an actuarial basis using the projected unit method are recognised in the Group's balance sheet as a pension scheme asset or liability as appropriate.

Changes in the defined benefit pension scheme assets or liabilities arising from other factors than cash contributions by the Group are charged to the Statement of Financial Activities in accordance with FRS17.

The Group also operates a defined benefit pension scheme on behalf of certain employees of Alexandra Park and Palace Charitable Trust, also administered by Haringey. However, the pension funds relating to the APPCT employees are not included in a separate pool and as such, it is not practical for a full FRS 17 valuation for the Trust staff to be disaggregated from the London Borough of Haringey pension fund. Furthermore, a separate valuation would not be relevant as the Trust staff are treated as Council employees for the pension fund purposes. For this reason, the scheme has been treated as a defined contribution scheme for the purpose of the financial statements.

The Group also operates a defined contribution pension scheme on behalf of certain employees. For defined contribution schemes the amount charged to the Statement of Financial Activities in respect of pension costs and other post-retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

3. Voluntary income

Voluntary income includes small unrestricted and restricted donations to the Trust. An adjustment of £29,145 has been made to voluntary income to remove an amount due from English Heritage as it is no longer considered virtually certain that these funds will be received. Voluntary income in 2008 included amounts received from the Heritage Lottery Grant (£229,783) and from the London Borough of Haringey (£76,855) for major works to the park.

ALEXANDRA PARK AND PALACE CHARITABLE TRUST**4. Activities for generating funds**

	2009	2008
	£	£
Group		
Income from events	3,909,616	1,263,480
Income from the ice rink	1,121,342	287,455
Income from Phoenix public house	463,899	162,998
	5,494,857	1,713,933
Trust only		
Gift aid payment from subsidiary	468,234	713,000
Licence fee	149,700	-
	617,934	713,000

5. Incoming resources from charitable activities

	2009	2008
	£	£
Group and Trust		
Ice rink	-	108,426
Community events	41,895	47,139
Leases and concessions	179,218	130,355
	221,113	285,920

6. Investment income

	2009	2008
	£	£
Group		
Bank interest	59,958	43,065
Net return on pension scheme	-	16,000
	59,958	59,065

ALEXANDRA PARK AND PALACE CHARITABLE TRUST

7. Analysis of total resources expended

Group

	Direct costs	Support costs	2009 Total	2008 Total
	£	£	£	£
Costs of generating funds				
Expenditure of trading subsidiary	4,960,933	-	4,960,933	1,328,098
Charitable expenditure				
Ice Rink	-	-	-	669,534
Community events	120,013	8,951	128,964	136,254
Leases and concessions	163	12,697	12,860	213,048
Park and Palace running costs	1,528,897	285,598	1,814,495	2,399,643
Security of building/park	512,654	261,286	773,940	785,965
	2,161,727	568,532	2,730,259	4,204,444
Governance costs				
Wages and salaries	-	14,624	14,624	17,792
Professional fees	49,881	-	49,881	33,250
Audit fee	36,500	-	36,500	42,750
	86,381	14,624	101,005	93,792
Total for Group	7,209,041	583,156	7,792,197	5,626,334

Trust Only

	Direct costs	Support costs	2009 Total	2008 Total
	£	£	£	£
Charitable expenditure				
Ice Rink	-	-	-	669,534
Community events	120,013	8,951	128,964	136,254
Leases and concessions	163	12,697	12,860	213,048
Park and Palace running costs	1,528,897	285,598	1,814,495	2,399,643
Security of building/park	512,654	261,286	773,940	785,965
	2,161,727	568,532	2,730,259	4,204,444
Governance Costs				
Wages and salaries	-	14,624	14,624	17,792
Professional fees	59,531	-	59,531	30,000
Audit fee	18,250	-	18,250	18,000
	77,781	14,624	92,405	65,792
Total for Trust	2,239,508	583,156	2,822,664	4,270,236

ALEXANDRA PARK AND PALACE CHARITABLE TRUST**8. Support costs**

	2009	2008
	£	£
Group and Trust		
Wages and salaries	169,288	686,184
Overheads	413,868	558,214
	<u>583,156</u>	<u>1,244,398</u>

9. Deficit on current year activities

	Group	Group
	2009	2008
	£	£
Operating deficit is stated after charging:		
Auditors' remuneration: audit fee	36,500	42,750
Auditors' remuneration: taxation	3,250	3,250
Operating lease rentals - land and buildings	42,092	35,896
Operating lease rentals - plant & machinery	-	3,585
Depreciation	108,665	111,463
	<u>108,665</u>	<u>111,463</u>

The trustees received no remuneration from the charity (2008: £Nil) and were not reimbursed for any of their expenses by the charity during the year (2008: £Nil).

ALEXANDRA PARK AND PALACE CHARITABLE TRUST

10. Analysis of costs by activity

GROUP

Costs directly allocated to activities	Basis of allocation	Other £	Security of building and park £	Community Events £	Leases and Concessions £	Park & Palace running costs £	Governance £	Total 2009 £	Total 2008 £
Expenditure of trading subsidiary	Direct	4,960,933	-	-	-	-	-	4,960,933	1,356,098
Salaries	Direct	-	512,654	-	163	681,144	-	1,193,961	1,496,552
Professional fees	Direct	-	-	-	-	12,331	39,824	52,155	149,091
Parks lottery expenditure	Direct	-	-	-	-	-	-	0	307,038
Overheads	Direct	-	-	120,013	-	835,422	10,057	965,492	1,051,732
Audit fees	Direct	-	-	-	-	-	36,500	36,500	18,000
Direct costs	Direct	-	-	-	-	-	-	0	3,425
Total direct costs		4,960,933	512,654	120,013	163	1,528,897	86,381	7,209,041	4,381,936
Support costs allocated to activities									
General office and finance support staff	Staff time & area average	-	69,688	1,828	3,910	73,758	14,624	163,808	17,792
Apportioned overhead cost	Staff time & area average	-	55,676	1,460	3,124	58,927	-	119,187	850,200
Apportioned support and overhead cost	Staff time & area average	-	135,922	5,663	5,663	152,913	-	300,161	376,406
Total support costs		0	261,286	8,951	12,697	285,598	14,624	583,156	1,244,398
Total for Group		4,960,933	773,940	128,964	12,860	1,814,495	101,005	7,792,197	5,626,334

Cost allocation includes an element of judgement and the charity has had to consider the cost benefit of detailed calculations and record keeping. To ensure full cost recovery on projects the charity adopts a policy of allocating costs to the respective cost headings through the year. This allocation includes support costs where they are directly attributable. Therefore the support costs shown are a best estimate of the costs that have been so allocated.

ALEXANDRA PARK AND PALACE CHARITABLE TRUST

10. Analysis of costs by activity (continued) TRUST ONLY

Costs directly allocated to activities	Basis of allocation	Security of building and park £	Community Events £	Leases and Concessions £	Park & Palace running costs £	Governance £	Total 2009 £	Total 2008 £
Salaries	Direct	512,654	-	163	681,144	-	1,193,961	1,496,552
Professional fees	Direct	-	-	-	12,331	49,474	61,805	149,091
Parks lottery expenditure	Direct	-	-	-	-	-	-	307,038
Overheads	Direct	-	120,013	-	835,422	10,057	965,492	1,051,732
Audit fees	Direct	-	-	-	-	18,250	18,250	18,000
Direct costs	Direct	-	-	-	-	-	-	3,425
Total direct costs		512,654	120,013	163	1,528,897	77,781	2,239,508	3,025,838
Support costs allocated to activities								
General office and finance support staff	Staff time & area average	69,688	1,828	3,910	73,758	14,624	163,808	17,792
Apportioned overhead cost	Staff time & area average	55,676	1,460	3,124	58,927	-	119,187	850,200
Apportioned support and overhead cost	Staff time & area average	135,922	5,663	5,663	152,913	-	300,161	376,406
Total support costs		261,286	8,951	12,697	285,598	14,624	583,156	1,244,398
Total for Trust		773,940	128,964	12,860	1,814,495	92,405	2,822,664	4,270,236

Cost allocation includes an element of judgement and the charity has had to consider the cost benefit of detailed calculations and record keeping. To ensure full cost recovery on projects the charity adopts a policy of allocating costs to the respective cost headings through the year. This allocation includes support costs where they are directly attributable. Therefore the support costs shown are a best estimate of the costs that have been so allocated.

ALEXANDRA PARK AND PALACE CHARITABLE TRUST

11. Staff costs

	Group 2009	Group 2008	Trust 2009	Trust 2008
	£	£	£	£
Wages and salaries	1,270,711	1,280,165	178,116	964,448
Social security costs	108,324	96,061	14,640	67,161
Pension costs	106,866	131,194	35,042	70,291
Agency staff costs	776,095	649,982	5,225	442,852
	2,261,996	2,157,402	233,024	1,544,752

There were no employees whose emoluments as defined for taxation purposes amounted to over £60,000 in 2008 or 2009.

The average number of employees, analysed by function, including both permanent employees and casual staff calculated on a full-time equivalent basis (number of permanent employees only illustrated by the bracketed figures) was:

	Group 2009	Group 2008	Trust 2009	Trust 2008
	Number	Number	Number	Number
Ice rink	17 (5)	15 (2)	-	15 (2)
Repairs and maintenance including park	2 (2)	3 (3)	2 (2)	3 (3)
Community events	-	-	-	-
Cost of generating funds	23 (17)	22 (14)	-	-
Support costs	1 (1)	1 (1)	1 (1)	1 (1)
Management and administration	8 (8)	4 (4)	2 (2)	1 (1)
	51 (33)	45 (24)	5 (5)	20 (7)

The ice rink transferred to the trading company in January 2008. The Trust figures for 2008 include ice rink staff employed by the Trust but seconded to the trading company. Of the 17 staff working in the ice rink in 2009, 2 permanent employees and 6 casual staff were employed by the Trust but seconded to the trading company.

12. Taxation

Alexandra Park and Palace Charitable Trust is a registered charity. As such its sources of income and gains, received under Section 505 of the Taxes Act 1988 or Section 256 of the Taxation of Chargeable Gains Act 1992, are exempt from taxation to the extent that they are applied exclusively to its charitable objectives. The trading subsidiary donates the bulk of its taxable profits to the Trust under Gift Aid. No tax charge has arisen in the year.

ALEXANDRA PARK AND PALACE CHARITABLE TRUST

13. Tangible fixed assets

	Improvements to park	Plant & Machinery	Office Equipment, furniture and fittings	Total
	£	£	£	£
Trust only:				
Cost: At 1 April 2008	197,346	483,107	361,340	1,041,793
Additions	-	2,196	45,824	48,020
At 31 March 2009	197,346	485,303	407,164	1,089,813
Depreciation: At 1 April 2008	78,938	242,872	235,185	556,995
Charge for the year	19,735	48,494	39,018	107,247
At 31 March 2009	98,673	291,366	274,203	664,242
Net Book Value				
At 31 March 2009	98,673	193,937	132,961	425,571
At 31 March 2008	118,408	240,235	126,155	484,798

	Improvements to park	Plant & Machinery	Office Equipment, furniture and fittings	Total
	£	£	£	£
Group				
Cost: At 1 April 2008	197,346	483,107	395,424	1,075,877
Additions	-	2,196	45,824	48,020
At 31 March 2009	197,346	485,303	441,248	1,123,897
Depreciation: At 1 April 2008	78,938	242,872	263,595	585,405
Charge for the year	19,735	48,494	40,436	108,665
At 31 March 2009	98,673	291,366	304,031	694,070
Net book value				
At 31 March 2009	98,673	193,937	137,217	429,827
At 31 March 2008	118,408	240,235	131,829	490,472

14. Fixed asset investments

Trust only:	2009	2008
	£	£
Shares in trading subsidiary at 1 April and 31 March	2	2

ALEXANDRA PARK AND PALACE CHARITABLE TRUST

14. Fixed asset investments (continued)

The Trust owns the entire share capital of its trading subsidiary Alexandra Palace Trading Limited, a company registered in England. Alexandra Palace Trading Limited raises funds for Alexandra Park & Palace Charitable Trust through the hiring of halls and catering for exhibitions, banquets, conferences, weddings and other events and the running of the Phoenix Public House and the ice rink.

Alexandra Palace Trading Limited paid £468,234 in gift aid to Alexandra Park & Palace Charitable Trust. The net income attributable to the group is consolidated on a line by line basis in the consolidated statement of financial activities. A summary of the results is shown below:

	2009	2008
	£	£
Turnover	5,494,857	2,013,933
Interest income	59,958	43,065
	5,554,815	2,056,998
Cost of sales	(4,447,363)	(1,221,951)
Cost of operating expenses	(671,870)	(118,147)
	(5,119,233)	(1,340,098)
Net income to the group	435,582	716,900
Gift Aid to the Trust	(468,234)	(713,000)
Retained (loss)/profit	(32,652)	3,900
Retained deficit brought forward	(206,882)	(290,782)
Actuarial (loss)/gain on pension fund	(275,000)	80,000
Retained deficit carried forward	(514,534)	(206,882)

ALEXANDRA PARK AND PALACE CHARITABLE TRUST

15. Stock

	Group 2009	Group 2008	Trust 2009	Trust 2008
	£	£	£	£
Food and beverages	71,666	69,444	-	-
	71,666	69,444	-	-

16. Debtors

	Group 2009	Group 2008	Trust 2009	Trust 2008
	£	£	£	£
Trade debtors	799,964	697,125	17,085	55,288
Other amounts due from subsidiary undertaking	-	-	362,756	299,448
Deed of covenant/gift aid due from subsidiary undertaking	-	-	468,234	713,000
Other debtors	5,816	11,571	4,198	10,867
Prepayments and accrued income	176,292	110,394	85,930	64,790
	982,072	819,090	938,203	1,143,393

17. Creditors: amount falling due within one year

	Group 2009	Group 2008	Trust 2009	Trust 2008
	£	£	£	£
Trade creditors	663,056	422,266	452,483	60,585
Other taxes and social security cost	292,049	74,670	-	2,254
Other creditors	5,686	150	2,750	150
Accruals	332,648	367,721	138,041	134,599
Deferred income	635,892	1,013,339	28,297	22,587
Haringey Council: Bank Account	-	226,909	-	226,909
	1,929,331	2,105,055	621,571	447,084

Deferred income is payments received for events that will take place in future years. The Trust's bank account is part of Haringey Council's pooled account, and the amount is shown both as an asset and a liability to the Trust as the bank account is owed in its entirety to the Council.

ALEXANDRA PARK AND PALACE CHARITABLE TRUST

18. Deferred income

	Group 2009	Group 2008	Trust 2009	Trust 2008
	£	£	£	£
Reconciliation of movement:				
Balance brought forward	1,013,339	247,543	22,587	-
Amount released to SOFA during the year	(1,013,339)	(247,543)	(22,587)	-
Amount deferred during the year	635,892	1,013,339	28,297	22,587
Balance carried forward	<u>635,892</u>	<u>1,013,339</u>	<u>28,297</u>	<u>22,587</u>

19. Provisions for liabilities

	Group 2009	Group 2008	Trust 2009	Trust 2008
	£	£	£	£
Haringey Council: Indemnification	<u>39,117,649</u>	<u>37,363,918</u>	<u>39,117,649</u>	<u>37,363,918</u>
Reconciliation of movement:				
Balance brought forward	37,363,918	34,574,233	37,363,918	34,574,233
Amount charged to SOFA	385,911	444,292	385,911	444,292
Transfer to bank less VAT debtor	1,367,820	2,345,393	1,367,820	2,345,393
Balance carried forward	<u>39,117,649</u>	<u>37,363,918</u>	<u>39,117,649</u>	<u>37,363,918</u>

The relationship between the Trust and the London Borough of Haringey:

The Council of the London Borough of Haringey is Trustee of the Trust. The Council delegates the entire function of trustee to the Alexandra Park and Palace Board. The Council elects individual members to sit on the Alexandra Park and Palace Board to act as the charity trustees. The charity trustees are those persons having the general control and management of the administration of the Trust. All employees of the Trust are employees of Haringey Council as trustee and are included in the Council's pension arrangements.

Due to the nature of the relationship between the Trust and Haringey Council there are a number of significant related party transactions. These amounts are consolidated into the Trust's financial statements. However, due to the unique nature and structure of the relationship it is thought appropriate to disclose these items: general rates of £46,200 (2008: £44,400); entertainment licences of £47,850 (2008: £43,419); public liability insurance £37,210 (2008: £36,303); APTL directors' liability insurance of £18,605 (2008: £18,152) provision of park patrol service £35,322 (2008: £34,460); legal expense £5,018 (2008: £977); printing and other sundry items of £7,989 (2008: £2,250).

Alexandra Park and Palace Charitable Trust is a going concern due to the ongoing support of the corporate Trustee, London Borough of Haringey. It is the Council's current policy to continue providing this support until such time as it is no longer required. The deficits incurred each year form part of the provision due to Haringey Council and are shown as a creditor on the balance sheet.

ALEXANDRA PARK AND PALACE CHARITABLE TRUST

19. Provisions for liabilities (continued)

The analysis of the current year's figure is as follows:

	Accumulated Balances	Interest	Total
	£'000	£'000	£'000
Indemnification 1991/92 to 1994/95 (1)	5,005	9,881	14,886
Indemnification 1995/96 to 2008/09 (2)	15,982	4,854	20,836
Provision: 1988/89 to 1990/91 (3)	755	2,641	3,396
	<u>21,742</u>	<u>17,376</u>	<u>39,118</u>

1. This is the amount which the Attorney General has agreed that Haringey Council is entitled to, in respect of expenditure incurred from operational deficits in the financial years 1991/92 to 1994/95.
2. This is the amount relating to the operational deficits for 1995/96 to 2008/09 which the Attorney General has agreed in principle that Haringey Council is entitled to. The final value has yet to be formally agreed. (The operational deficit is calculated as the deficit for the year before interest and the increase in working capital in the year).
3. Haringey Council may also be entitled to indemnification for the operational deficits from 1988/89 to 1990/91, so this amount has also been provided for.

20. Accumulated unrestricted funds

	Group 2009	Group 2008	Trust 2009	Trust 2008
	£	£	£	£
Trust deficit funds:				
Balance brought forward	36,428,766	33,548,468	36,221,883	33,257,685
Deficit in year	2,015,163	2,960,298	1,982,511	2,964,198
Actuarial loss/(gain) on defined benefit pension scheme	275,000	(80,000)	-	-
Balance carried forward	<u>38,718,929</u>	<u>36,428,766</u>	<u>38,204,394</u>	<u>36,221,883</u>

The above amounts represent the deficit equity of the Trust. The Group figure includes (£514,534) (2008:£15,118) of the trading subsidiary retained (losses)/profit carried forward.

ALEXANDRA PARK AND PALACE CHARITABLE TRUST

21. Restricted funds

	Balance 1 April 2008	Incoming Resources	Expenditure & transfers	Balance 31 Mar 2009
	£	£	£	£
Environment Agency Grant	1,168	-	-	1,168
Organ Appeal Fund	5,776	840	-	6,616
Theatre Fund	232	-	-	232
English Heritage	32,198	(29,145)	-	3,053
	<u>39,374</u>	<u>(28,305)</u>	<u>-</u>	<u>11,069</u>

The restricted fund balance at 31 March 2009 are represented by cash at bank and in hand of £11,069

The Environment Agency Fund is a grant for works to the lake to improve fishing and other uses

The Organ Appeal Fund relates to monies raised for restoration of the organ

The Theatre Fund and English Heritage Fund are monies raised to restore the stage machinery

22. Total funds	Group 2009	Group 2008	Trust 2009	Trust 2008
	£	£	£	£
Balance brought forward	36,389,392	33,508,694	36,182,509	33,217,911
Deficit in year	2,043,468	2,960,698	2,010,816	2,964,598
Actuarial loss/(gain)	275,000	(80,000)	-	-
Balance carried forward	<u>38,707,860</u>	<u>36,389,392</u>	<u>38,193,325</u>	<u>36,182,509</u>

23. Audit fees

The Charity Commission requires the Board to appoint an independent Registered Auditor to carry out a full statutory audit of the financial statements. The audit fee for the year was £36,500 (2008: £42,750).

The Local Authority external auditor, as part of the external audit of the Council's accounts, reviews the financial statements for Alexandra Park and Palace Charitable Trust. The Council meets the fee of this external auditor.

24 Commitments under operating leases	2009	2008
	£	£
Land and buildings		
Payments due within one year on leases expiring:		
Within 1 year	35,896	35,896
Within 2-5 years	-	-
	<u>35,896</u>	<u>35,896</u>

ALEXANDRA PARK AND PALACE CHARITABLE TRUST

25. Pension scheme Trust:

(a) Defined benefit scheme

The Trust operates a defined benefit pension scheme for the benefit of its employees. The assets of the Scheme are in a fund independent from the Trust and are administered by Haringey Council under the provisions of the Local Government Superannuation Act of 12 June 2000. The pension fund assets and liabilities relating to the employees of the Trust are included within the overall Haringey fund and as such, it is not practical or relevant to produce a full FRS17 valuation at the balance sheet date. For this reason, the scheme is treated as a defined contribution scheme for the purposes of the Trust financial statements. This treatment is consistent with previous years.

The Fund is independently valued every three years by a firm of actuaries to assess the adequacy of the Fund's investments and contributions to meet its liability. The last triennial valuation took place as at 31 March 2007. The last triennial actuarial valuation was carried out in accordance with Guidelines GN9: Retirement Benefit Schemes - Actuarial reports published by the Institute of Actuaries and the Faculty of Actuaries. The valuation was carried out using the Projected Unit Method.

Economic and statistical assumptions were used. The assumptions which have the most significant effect on the results of the valuation are:

		Nominal % per annum
Rate of investment – equities	7.70%	per annum compound
Rate of investment – bonds	5.70%	per annum compound
Rate of investment – property	5.70%	per annum compound
Rate of investment – cash	4.80%	per annum compound
Rate of pensionable salary increases (excl. increments)	5.10%	per annum compound
Rate of price inflation/pensions increases	3.60%	per annum compound
Discount rate	6.90%	per annum compound

The Trust's contribution rate is determined by the Fund's Actuary based on triennial actuarial valuations, the last review being at 31st March 2007. Following this valuation, the Actuary agreed that the Trust's contribution would be 22.9% for the three years of the triennial period.

Trading company:

(b) Defined benefit scheme

The trading company operates a defined benefit pension scheme for the benefit of scheme members who transferred to the trading company, from Alexandra Park and Palace Charitable Trust, on 1 November 1999. There are 7 (2008: 7) scheme members still in the employment of the trading company as at 31 March 2009. The assets of the Scheme are in a fund independent from the trading company and are administered by Haringey Council under the provisions of the Local Government Superannuation Act. The Scheme is accounted for in accordance with FRS 17.

ALEXANDRA PARK AND PALACE CHARITABLE TRUST

25. Pension scheme (continued)

The Fund is independently valued on a regular basis by a firm of actuaries. The purpose is to assess the adequacy of the Fund's investments and contributions. The last actuarial valuation was carried out using the Projected Unit Method.

Economic and statistical assumptions were used. The principal actuarial assumptions used were:

Nominal % per annum

Rate of investment - equities	-	7.7 % per annum compound
Rate of investment - bonds	-	5.7 % per annum compound
Rate of investment – property	-	5.7 % per annum compound
Rate of pensionable salary increases (excluding increments)	-	5.1 % per annum compound
Rate of price inflation/pensions increases-		3.6 % per annum compound
Discount rate	-	6.9 % per annum compound

The market value of the Fund at the time of the last valuation was £619 million for the whole of the scheme of which £1,737,000 was the share for Alexandra Palace Trading Limited. Alexandra Palace Trading Limited employer's contribution is 16.2% of salary. The pension contribution for the year was £34,991 (2008: £31,760).

The actuarial valuation described above has been updated at 31 March 2009 by a qualified actuary using revised assumptions that are consistent with the requirements of FRS 17. Investments have been valued, for this purpose, at fair value using the current bid price.

The major assumptions used for the actuarial valuation were:

	Nominal % per annum compound	
	2009	2008
Price increases	3.10	3.60
Rate of pensionable salary increases (excluding increments)	4.60	5.10
Rate of price inflation/pensions increases	3.10	3.60
Discount rate	6.90	6.90
Expected rate of return on assets	6.20	7.10

The expected rate of return on assets is based on the long-term future expected investment return for each asset class as at the beginning of the period.

Assumptions relating to the average future life expectancy of members at age 65 were as follows;

	Males	Females
Current pensioners	21.5 years	24.4 years
Future pensioners	22.6 years	25.5 years

For the year ended 31 March 2009, the expected return on the above assets was £114,000 (2008: £127,000) less the interest on pension scheme liabilities of £118,000 (2008: £111,000) gives a net return of (£4,000) (2008: £16,000) as the amount debited to other finance income. Therefore overall the net cost to the profit and loss account for the year ended 31 March 2009 is £49,000 (2008: £27,000) after deduction of the past and current service cost.

ALEXANDRA PARK AND PALACE CHARITABLE TRUST

25. Pension scheme (continued)

Recognition in the profit and loss account	2009	2008
	£'000	£'000
Current Service Cost	31	43
Interest Cost	118	111
Expected Return on employer assets	(114)	(127)
Past service costs	14	-
	<u>49</u>	<u>27</u>

Reconciliation of defined benefit obligation	2009	2008
	£'000	£'000
Opening Defined Benefit Obligation	1,694	2,039
Current service cost	31	43
Interest cost	118	111
Contributions by members	15	14
Actuarial losses	(175)	(475)
Past service costs	14	-
Estimated benefits paid	(39)	(38)
	<u>1,658</u>	<u>1,694</u>

Reconciliation of fair value of employer assets	2009	2008
	£'000	£'000
Opening fair value of employer assets	1,602	1,737
Expected return on assets	114	127
Contributions by members	15	14
Contributions by the employer	17	157
Actuarial losses	(450)	(395)
Benefits paid	(39)	(38)
	<u>1,259</u>	<u>1,602</u>

Amounts for the current and four previous accounting periods are as follows;

	2009	2008	2007	2006	2005
	£'000	£'000	£'000	£'000	£'000
Fair value of employer assets	1,259	1,602	1,737	1,484	1,058
Present value of defined benefit obligation	(1,658)	(1,694)	(2,039)	(2,028)	(1,643)
Deficit	(399)	(92)	(302)	(544)	(585)
Experience gains/(losses) on assets	(450)	(395)	(5)	194	38
Experience gains/(losses) on liabilities	0	122	(1)	(1)	(16)

None of the above liabilities derive from schemes that are wholly unfunded.

ALEXANDRA PARK AND PALACE CHARITABLE TRUST

25. Pension scheme (continued)

Fair value of employer assets	2009	2008
	£'000	£'000
Equities	755	1,120
Bonds	315	340
Property	88	80
Cash	101	62
Total	1,259	1,602

Analysis of amount recognised in statement of total recognised gains and losses (STRGL):

	2009	2008
	£	£
Actuarial (loss)/gain recognised in STRGL	(275,000)	80,000

Analysis of projected amount to be charged to operating profit for the year to 31st March 2010:

	31 March 2010	
	£'000	% of pay
Projected current service cost	26	14.1%
Interest on obligation	113	60.8%
Expected return on plan assets	(81)	(43.5%)
	58	31.3%

b) Stakeholder personal pension scheme

For new employees to the trading company since 1 September 1999, the trading company has established a stakeholder pension and contributes personal pension contributions into this scheme. The employer's contribution is 10% of salary and the pension contribution for the year was £25,153 (2008: £17,903). There are no accrued employer contributions included within creditors or prepaid contributions included within prepayments.

26. Contingent Liability

On 25 March 2009, a pre action protocol letter of claim was submitted by solicitors acting for Firoka (Alexandra Palace) Ltd and Firoka (Kings Cross) Ltd (Firoka) against the Council as trustee of Alexandra Park and Palace Charitable Trust. The letter asserted that the trustee was in breach of contract and intimated Firoka's intention to claim damages for breach of contract, specified as the failure of the trustee to complete the grant of a long lease of the Palace to Firoka and to enter into other related commercial agreements with Firoka. The value of this claim is £6.234 million.

On 26 May 2009, a detailed response was sent by solicitors acting for the Council as trustee denying any liability. No legal proceedings have yet been commenced by either party. No provision has been made in the Trust's accounts for this claim. The information normally required under FRS12 is not disclosed on the basis that it can be expected to seriously prejudice the outcome of this matter.

APPENDIX 2

Deloitte LLP
3 Victoria Square
Victoria Street
St Albans
AL1 3TF

15 October 2009

Dear Sirs

Financial statements of Alexandra Park and Palace Charitable Trust for the year ended 31 March 2009

This representation letter is provided in connection with your audit of the financial statements of Alexandra Park and Palace Charitable Trust for the year ended 31 March 2009 for the purpose of expressing an opinion as to whether the financial statements give a true and fair view of the financial position of Alexandra Park and Palace Charitable Trust as of 31 March 2009 and of the results of its operations, other recognised gains and losses and its cash flows for the year then ended in accordance with applicable accounting framework and Charities Act 1993.

We acknowledge as trustees our responsibilities under the Charities Act 1993 for preparing financial statements for the charity and its consolidated financial statements which give a true and fair view and for making accurate representations to you.

We confirm, to the best of our knowledge and belief, the following representations.

1. All the accounting records have been made available to you for the purpose of your audit and all the transactions undertaken by the company have been properly reflected and recorded in the accounting records. All other records and related information, including minutes of all management and shareholders meetings, have been made available to you.
2. We acknowledge our responsibilities for the design, implementation and operation of internal control to prevent and detect fraud and error.
3. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
4. We are not aware of any significant facts relating to any frauds or suspected frauds affecting the company or group involving:
 - (i). management;
 - (ii). employees who have significant roles in internal control; or
 - (iii). others where the fraud could have a material effect on the financial statements.
5. We have disclosed to you our knowledge of any allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, analysts, regulators or others.
6. We are not aware of any actual or possible instances of non-compliance with laws and regulations, the effects of which should be considered when preparing financial statements.
7. We have considered the uncorrected misstatements and disclosure deficiencies detailed in the appendix to this letter. We believe that no adjustment is required to be made in respect of any

of these items as they are individually and in aggregate immaterial having regard to the financial statements taken as a whole.

8. Where required, the value at which assets and liabilities are recorded in the balance sheet is, in the opinion of the trustees, the fair value. We are responsible for the reasonableness of any significant assumptions underlying the valuation, including consideration of whether they appropriately reflect our intent and ability to carry out specific courses of action on behalf of the company. Any significant changes in those values since the balance sheet date have been disclosed to you.
9. We confirm the completeness of the information provided regarding the identification of related parties, and the adequacy of related party disclosures in the financial statements.

We have made enquiries of any key managers or other individuals who are in a position to influence, or who are accountable for the stewardship of the reporting entity and confirm that we have disclosed in the financial statements all transactions relevant to the company and we are not aware of any other such matters required to be disclosed in the financial statements, whether under FRS8 "Related party disclosures" or other requirements.

10. We confirm that the financial statements have been prepared on the going concern basis. We do not intend to liquidate the company or cease trading as we consider we have realistic alternatives to doing so. We are not aware of any material uncertainties related to events or conditions that may cast significant doubt upon the company's ability to continue as a going concern. We confirm the completeness of the information provided regarding events and conditions relating to going concern at the date of approval of the financial statements, including our plans for future actions.
11. On 25 March 2009, a pre action protocol letter of claim was submitted by solicitors acting for Firoka (Alexandra Palace) Ltd and Firoka (Kings Cross) Ltd (Firoka) against the Council as trustee of Alexandra Park and Palace Charitable Trust. The letter asserted that the trustee was in breach of contract and intimated Firoka's intention to claim damages for breach of contract, specified as the failure of the trustee to complete the grant of a long lease of the Palace to Firoka and to enter into other related commercial agreements with Firoka. The value of this claim is £6.234 million.

On 26 May 2009, a detailed response was sent by solicitors acting for the Council as trustee denying any liability. The matter remains the subject of ongoing correspondence. No legal proceedings have been commenced and no provision has been made in the Trust's accounts for this claim as we consider it only possible, and not probable, that there will be an outflow of economic benefit. The information normally required under FRS12 is not disclosed in the financial statements on the basis that it can be expected to seriously prejudice the outcome of this matter.

No other claims in connection with litigation have been received.

12. We have no plans or intentions that may materially affect the carrying value or classification of assets and liabilities reflected in the financial statements.
13. We confirm that:
 - all retirement benefits and schemes, including UK, foreign, funded or unfunded, approved or unapproved, contractual or implicit have been identified and properly accounted for;

- all settlements and curtailments have been identified and properly accounted for;
 - all events which relate to the determination of pension liabilities have been brought to the actuary's attention;
 - the actuarial assumptions underlying the valuation of the scheme liabilities (including the discount rate used) accord with the trustees' best estimates of the future events that will affect the cost of retirement benefits and are consistent with our knowledge of the business;
 - the actuary's calculations have been based on complete and up to date member data as far as appropriate regarding the adopted methodology; and
 - the amounts included in the financial statements derived from the work of the actuary are appropriate.
14. All grants, donations and other incoming resources, the receipt of which is subject to specific restrictions, terms or conditions, have been notified to you. There have been no breaches of terms or conditions in the application of such incoming resources.
15. All constructive obligations for grants meeting the conditions set out in FRS 12 "Provisions, Contingent Liabilities and Contingent Assets" and the Charities SORP have been recognised in the financial statements.
16. There have been no events subsequent to 31 March 2009 which require adjustment of or disclosure in the financial statements or notes thereto.

We confirm that the above representations are made on the basis of adequate enquiries of management and staff (and where appropriate, inspection of evidence) sufficient to satisfy ourselves that we can properly make each of the above representations to you.

Yours faithfully

Signed on behalf of the Board of Trustees

APPENDIX 1
SCHEDULE OF UNCORRECTED MISSTATEMENTS

Description	Assets DR / (CR) £	Liabilities DR / CR) £	Equity DR / (CR) £	Income Statement DR / (CR) £
CANCELLING OF TRADE DEBTOR AND DEFERRED INCOME	(11,040)	11,040		-
OVERACCRUAL OF PURCHASE INVOICE			5,391	(5,391)
DISPOSAL OF OLD TANGIBLE FIXED ASSETS	4,060 (4,060)			

**Alexandra Park and Palace
Charitable Trust**

Final Report to the Board

**On the 2009 Audit for discussion
at a meeting on 15 October 2009**

Issued on 30 September 2009

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Introduction

We have pleasure in setting out in this document our report to the Board of Alexandra Park and Palace Charitable Trust ("APPCT") for the year ended 31 March 2009 for discussion at the meeting scheduled for 15 October 2009. This report summarises the principal matters that have arisen from our audit for the year ended 31 March 2009.

Key audit risks

In addition to further detail on those matters included in the Executive Summary we discuss within Section 1 the results of our work in relation to key audit risks which have been identified as being significant to the 2009 accounts.

Identified misstatements

Audit materiality for the consolidated financial statements was £125,000 (2008: £31,000). This was determined based on gross incoming resources, which increased from £2.7 million to £5.8 million.

There were two uncorrected misstatements, which increase net assets and reduce the deficit for the year by £5,391. Details of the uncorrected and recorded audit adjustments are included in Appendix 1.

Disclosure deficiencies

There are no identified disclosure deficiencies.

Accounting and internal control systems

We noted an improvement in the control environment and did not identify any new material weaknesses in the financial reporting systems during our audit. We have provided an update on the status of the control recommendations made in the prior year.

Current market conditions

On 27 November 2008, the Financial Reporting Council published an analysis of some of the challenges for audit committees arising from current market conditions and some suggested questions that audit committees may need to address. In addition, the FRC published an Update for Directors of Listed Companies: Going Concern and Liquidity Risk. The update brings together the key accounting requirements and the disclosures relevant to going concern and liquidity risk and sets out the main points of interaction between the judgements made by directors and auditors. The FRC subsequently confirmed that this guidance was applicable for directors of unlisted companies. The Auditing Practices Board also issued a bulletin setting out guidance to auditors on this subject. We confirm that to the extent considered necessary we have taken this into account in the planning and performance of our audit.

Introduction (continued)

Audit status

We have substantially completed our audit subject to the satisfactory completion of the matters set out below:

- Receipt of signed management representation letters;
- Updating of our going concern review; and
- Completion of a post balance sheet events review.

We will report to you orally in respect of any modifications to the findings or opinions contained in this report that arise on completion of these matters. On satisfactory completion of the outstanding matters, we anticipate issuing an unmodified audit opinion on the truth and fairness of the financial statements.

1. Key audit risks

The results of our audit work on key audit risks are set out below:

Key audit risk

Background

Legal claim

On 25 March 2009, a pre action protocol letter of claim was submitted by solicitors acting for Firoka (Alexandra Palace) Ltd and Firoka (Kings Cross) Ltd ("Firoka") against Haringey Council as trustee of APPCT. The letter asserted that the trustee was in breach of contract and intimidated Firoka's intention to claim damages for breach of contract, specified as the failure of the trustee to complete the grant of a long lease of the Palace to Firoka and to enter into other related commercial agreements with Firoka. The value of this claim is £6.2 million.

On 26 May 2009, a detailed response was sent by solicitors acting for Haringey Council as trustee denying any liability.

No legal proceedings have yet been commenced by either party. No provision has been made in the APPCT's financial statements for either claim.

FRS 12 sets out 3 options of reflecting the claim in the financial statements. If it is considered:

1. **Probable** that a transfer of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation - **a provision should be recognised** in the financial statements.
2. **Possible** that there will be a transfer of economic benefit - a contingent liability should be **disclosed** in the financial statements.
3. **Remote** that there will be a transfer of economic benefit - **no provision** should be made and **no disclosure** is required.

1. Key audit risks (continued)

Key audit risk

Background

Legal claim (continued)

Management have concluded that option 2 is the most appropriate and have therefore disclosed the claim in note 26 to the financial statements. FRS 12 requires the disclosure to include a brief description of the nature of the contingent liability and, where practicable:

- an estimate of its financial effect;
- an indication of the uncertainties relating to the amount or timing of any outflow; and
- the possibility of any reimbursement.

We have reviewed the letter of claim from Firoka, the response to Firoka sent by Haringey Council's solicitors and the legal confirmation letter sent to us by APPCT's solicitors. We concur with management's conclusion that the claim should currently be disclosed as a contingent liability since there is a possibility of transfer of economic benefit, but not a probability. We have reviewed the disclosures made in the financial statements and have concluded that they meet the requirements of FRS 12.

1. Key audit risks (continued)

Key audit risk

Defined benefit pension liability

Background

Alexandra Palace Trading Limited (“APTL”) operates a defined benefit pension scheme for the benefit of 22 scheme members who transferred to the company on 22 November 1999. There are 7 scheme members still in the employment of APTL. The assets of the scheme are administered by Haringey Council under the provisions of the Local Government Superannuation Act.

In accordance with FRS 17 ‘Retirement Benefits’, APPCT is required to account for APTL’s share of the underlying assets and liabilities of the scheme in the consolidated financial statements.

At 31 March 2008 the scheme had a deficit of £92k. This deficit had increased to £399k at 31 March 2009.

We have utilised our own in-house actuaries to review the assumptions used in the calculation of the FRS 17 deficit to ensure that they are within a reasonable range and in line with those used by other entities. These assumptions have been selected by management based on advice from the scheme actuary.

The assumptions selected by the directors of APTL are broadly within the typical range of assumptions that are commonly used; however we wish to draw to the Board’s attention that two of the key assumptions are at the top end of the acceptable range. These are discount rate and mortality. Selecting appropriate assumptions is not an exact science; however it is important that the directors satisfy themselves that the assumptions used are reasonable and appropriate to the specific circumstances of the scheme. Due to the sensitivity of the assumptions, small changes can have a significant effect on the deficit.

We have discussed this with management and they believe that it is appropriate to use assumptions that are consistent with those used by Haringey Council. We will request a specific representation from the trustees of APPCT that they have considered these assumptions and believe that they are appropriate.

An amendment was made to FRS 17 which was effective for accounting periods commencing on or after 6 April 2007 which has given rise to some changes in the disclosures provided in note 14 of the financial statements. The main addition is the requirement to disclose the principal actuarial assumptions used as at the balance sheet date. FRS 17 previously required information regarding the main financial assumptions. The most significant change is the requirement to disclose mortality rates.

We have reviewed the disclosures included by management and concur that they are consistent with the requirements of FRS 17.

1. Key audit risks (continued)

Key audit risk

Background

Going concern

On 17 December 2007, the Financial Reporting Council released a press notice advising preparers of accounts, members of audit committees and auditors of the need for additional diligence in light of the increased risks to confidence in reporting and governance arising from current credit market conditions.

An update for directors of listed companies was released in November 2008. This document is equally relevant to directors of un-listed companies and trustees of charities. In forming their conclusion on going concern, the trustees must assess which of 3 scenarios discussed in the document is most appropriate to the entity. These scenarios are:

- There are no material uncertainties that lead to significant doubt upon the entity's ability to continue as a going concern;
- There are material uncertainties that lead to significant doubt upon the entity's ability to continue as a going concern; or
- The use of the going concern basis is not appropriate.

The level of disclosure required in the trustee's report will be dependent upon the scenario selected. The disclosure must be sufficient to enable a user of the accounts to understand the basis on which the directors have formed their conclusion.

Management have considered these scenarios and have concluded that there are no material uncertainties that lead to significant doubt upon the APPCT's ability to continue as a going concern. Their conclusion is based on the ongoing financial support of Haringey Council.

We concur with management's conclusion.

1. Key audit risks (continued)

Key audit risk	Background
Recoverability of debtors	<p>In the current economic environment there is an increased risk of debtors being unable to settle debts leading to increased bad debt costs in relation to events that have already been held or a reduction in future income for future events.</p> <p>The overall trade debtor balance net of doubtful debt provisions has increased on the prior year from £697,000 to £800,000. The doubtful debt provision has increased from £nil to £79,000. This provision relates to a small number of specific customers.</p> <p>We have performed detailed substantive testing to review the cash received post year end against debtors. There were two large balances which had not been settled in full. However, APPCT's exposure to bad debt was partially mitigated by a payment plan for one of the customers and an offsetting accrual for the other. Management believe that the remaining balances are recoverable in full and that the level of provision made is adequate.</p> <p>We will update our testing as part of our post balance sheet events review to assess if the remaining outstanding debt has been settled. We will request a written representation from the trustees to confirm that you believe that the unprovided balances are recoverable in full.</p>
Key audit risk	Background
Income recognition	<p>International Standards on Auditing (UK and Ireland) require us to presume that there is an increased risk of fraud and/or error in relation to income recognition. We identified that the risk for APPCT was the cut off of rental income and completeness of events income.</p> <p>We performed detailed substantive testing on the completeness of events income and cut off of rental income. This testing proved satisfactory.</p>

1. Key audit risks (continued)

Key audit risk

Background

Provision

At 31 March 2009 the total provision for Haringey Council indemnification was £39.1 million (2008: £37.4 million).

	Accumulated balance	Interest	Total
Indemnification 1991/92 to 1994/95	5,005	9,881	14,886
Indemnification 1995/96 to 2007/08	14,982	4,854	20,836
Provision: 1988/99 to 1990/91	755	2,641	3,396
	21,742	17,376	39,118

The increase on the prior year relates to the ongoing operational deficits of APPCT. No interest charges were levied by Haringey Council in the current year. Although Haringey Council have provided for this debt in full in their own financial statements, they have not discharged the debt and therefore retain their right to repayment. On this basis management have concluded that it remains appropriate to retain the provision.

FRS 12 'Provisions, Contingent liabilities and Contingent assets' sets out three criteria for the recognition of a provision. If these criteria are met, a provision must be made. The criteria are that:

- (a) an entity has a present obligation (legal or constructive) as a result of a past event;
- (b) it is probable that a transfer of economic benefits will be required to settle the obligation; and
- (c) a reliable estimate can be made of the amount of the obligation.

We have considered the accounting treatment against these criteria and concur that it is appropriate to retain the provision.

2. Accounting and internal control systems

We did not identify any significant control observations during the course of our audit.

Update on prior year control observations

We identified a number of control observations during our prior year audit, the most significant of which are detailed below with an update on their current status.

2007/08 issue 1 – Cash banking procedures

We identified that APTL had cash at hand totalling £104,625 at the balance sheet date. We noted that holding large amounts of physical cash was likely to increase the risk of misappropriation of funds and may not be covered by the company's insurance policy.

Recommendation

We recommended that

- Cash at hand balances should be kept to a minimum and should not exceed a reasonable amount to cover urgent requirements.
- All cash takings above this threshold should be banked as soon as possible.

Management response

This situation arose due to a dispute with our secure cash delivery and collection company, which has now been resolved. The cash in question was being held in safes in a secure cash office with controlled access and the amount was fully covered by our insurance policy. The cash was banked and fully reconciled post year end and cash is now collected by secure carrier for banking each week.

2008/09 update on status

The cash floats held at the current balance sheet date totalled £23,700.

2. Accounting and internal control systems (continued)

2007/08 issue 2 – Disaster recovery plan	We noted that a formal disaster recovery plan had not been prepared. In the absence of a documented plan the time taken to put in place arrangements to enable continuation of the company's operations in the event of a significant incident would be increased.
Recommendation	We recommended that a disaster recovery plan should be prepared. All members of the management team should be familiar with this plan and copies should be retained off-site to ensure that they are readily accessible if access to the premises is limited.
Management response	Agreed. A Disaster Recovery Plan requires significant involvement from and part management by APPCT due to the nature of services managed by APPCT. The Company will work together with the Charity to develop a Disaster Recovery Plan as part of the overall review of our risk management arrangements.
2008/09 update on status	This recommendation has not yet been implemented.
2008/09 updated management response	Detailed work is progressing on the status of systems in place to mitigate business interruption. This has included: <ul style="list-style-type: none">• development of an improved Health and Safety Policy;• a new Fire Management System with clearly defined roles and responsibilities;• updating of the 24/7 assignment instructions for the security team on site;• reviewing of the plant and equipment that are critical to the operations of the site (e.g. standby generator, fire protection systems);• reviewing the current business processes in order to ensure that there is an effective facilities management service to the site (e.g. recruitment of full time Facilities Manager); and• contingency plans for disruption caused by significant staff absence (e.g. swine flu pandemic). Work will now commence on the compilation of the Disaster Recovery Plan which will be completed for approval by the Board by the end of 2009.

Timeframe: 31 December 2009

Owner: General Manager, Trust

2. Accounting and internal control systems (continued)

2007/08 issue 3 – Accruals procedures	We identified a number of misstatements due to incomplete accruals. Inaccuracies in accounting data increase the risk of misstatement in the financial statements and reduce the effectiveness of the management information needed to assess future liabilities and cash flows.
Recommendation	We recommended that management undertake a detailed review of payments made from the bank after the year end to ensure that the expense is recorded in the correct accounting period.
Management response	Agreed. Going forward, this review will be performed before finalising the draft accounts.
2008/09 update on status	This recommendation has been implemented. We did not identify any misstatement in respect of inaccurate accruals at the balance sheet date.

2. Accounting and internal control systems (continued)

2007/08 issue 4 – Maintenance of fixed asset register

We noted that the organisation does not have a fixed asset register that can be reconciled to the figures recorded in the general ledger. In the absence of this information, management are not able to ensure that disposals of assets are recorded in the general ledger, and it would be more difficult to identify the misappropriation of assets.

Recommendation

We recommended that management should create a register of all assets including information on purchase date, cost, location and condition. This register should include sufficient information to enable individual assets to be identified, and assets should be labelled with unique asset numbers where appropriate. The register should be reviewed on a frequent basis to ensure that it is up-to-date. On an annual basis management should check the register against the physical assets on a sample basis.

Management response

Agreed. A more detailed fixed asset register will be introduced, including the purchase date, cost and location of all new acquisitions. In respect of existing assets, this information should be relatively easy to obtain for the past three financial years. However, the backing documentation for earlier acquisitions is likely to be in archive and thus we will need to consider the cost/benefit of updating the register for these items, particularly as many older items will be fully depreciated.

2008/09 update on status

This recommendation has been implemented. Management have prepared a fixed asset register for all items purchased since July 2005.

2. Accounting and internal control systems (continued)

2007/08 issue 5 – Journals

We noted that journals were not independently authorised and reviewed. Due to the manual nature of journals, there was a greater risk that their use may give rise to fraud or error.

Recommendation

We recommended that journals should be reviewed and authorised by an individual independent of the preparer or initiator. Where resource constraints do not allow this to be undertaken on every journal, this should be performed at least on a sample basis.

Management response

Journals were not independently reviewed and authorised in the past due to resource constraints; however, this procedure will be adopted for material transactions going forward.

2008/09 update on status

This recommendation has not been fully implemented. We reviewed a sample of journals and noted that not all journals were signed off by a preparer and a reviewer. In addition, not all journals had supporting documentation attached.

2008/09 updated management response

There were some occasions during the year when the Head of Finance both prepared and authorised journals. This occurred due to the small size of the Finance team, the requirement to induct new staff and the workload at month end. The Head of Finance is gradually delegating all of the transaction processing to her team in order to improve segregation of duties. The journals identified as lacking supporting documentation largely related to payroll (supporting documentation is confidential and retained by HR) and bank transfers (supporting documentation is on the bank statements). Going forward, a more detailed narrative will be included to indicate where the supporting documentation is located where this is not attached to the journal.

Timeframe: 31 December 2009

Owner: Head of Finance

2. Accounting and internal control systems (continued)

2007/08 issue 6 – Reconciliation of purchase ledger and general ledger

We noted that the purchase ledger did not agree to the general ledger and there was no process in place to enable these to be reconciled.

Recommendation

We recommended that the purchase ledger should be reconciled to the general ledger on a monthly basis. Any reconciling items should be investigated on a timely basis. The reconciliation should be reviewed for completion by an independent designated officer with this review suitably evidenced.

Management response

Agreed. Going forward, this reconciliation will be performed and authorised as part of the monthly balance sheet reconciliation process.

2008/09 update on status

This recommendation has been implemented.

2. Accounting and internal control systems (continued)

2007/08 issue 7 – Cost allocations

We noted that there was no formal procedure for review of the cost allocation calculations to ensure that they are reasonable and reflect the substance of the charity's operations. The bases of allocations are judgemental and are focussed on by external commentators and therefore it is important to ensure that they are appropriate.

Recommendation

We recommended that the results of the cost allocation exercise should be reviewed by someone independent of the preparer to ensure that the allocations are reasonable and are consistent with the operations of the group. Evidence of this review should be documented.

Management response

The draft financial statements, including cost allocations, were prepared by an independent firm of accountants, which ensures there is a degree of objectivity in assessing the reasonableness of the cost allocation. However, the new Head of Finance will also review the bases for allocating overhead costs prior to drafting the 2008/09 financial statements to ensure they are still appropriate and take into account any operational changes which have occurred.

2008/09 update on status

The Head of Finance reviewed the cost allocations as part of the process of drafting the financial statements for 2008/09 and concluded that they appear reasonable given the nature of the Trust's current activities.

2. Accounting and internal control systems (continued)

2007/08 issue 8 – Cut off of income	We identified a number of cut off errors in relation to income. We noted that inaccuracies in the accounting data increase the risk of misstatement in the financial statements and reduce the effectiveness of the management information needed to assess future cash flows.
Recommendation	We recommended that management perform a review of all income recognised for a set period (for example, one month) either side of the year end to ensure that it is recognised in the correct accounting period.
Management response	Agreed. Going forward, this review will be performed before finalising the draft accounts.
2008/09 update on status	This recommendation has been implemented.

3. Matters for communication to those charged with governance

As part of our obligations under International Standards on Auditing (UK & Ireland) and the Companies Act, we are required to report to you on the matters listed below.

Independence

We consider that we comply with APB Ethical Standards and that, in our professional judgement, we are independent and the objectivity of the audit engagement partner and audit staff is not compromised.

Non-audit services

We are not aware of any inconsistencies between APB Ethical Standards and the company's policy for the supply of non audit services or of any apparent breach of that policy.

An analysis of professional fees earned by Deloitte in the period from 1 April 2008 to 31 March 2009 is included in Appendix 2.

International Standards on Auditing (UK and Ireland)

We consider that there are no additional matters in respect of those items highlighted in our publication "Briefing on audit matters" to bring to your attention that have not been raised elsewhere in this report or our audit plan.

Written representations

A copy of the representation letter to be signed on behalf of the board has been circulated separately.

4. Responsibility statement

This report should be read in conjunction with the "Briefing on audit matters" circulated in 2007/08 and sets out those audit matters of governance interest which came to our attention during the audit. Our audit was not designed to identify all matters that may be relevant to the board and this report is not necessarily a comprehensive statement of all weaknesses which may exist in internal control or of all improvements which may be made.

We would be happy to consider a request to perform a more extensive study of these matters and, where compatible with our independence as auditors, assist you with implementing any improvements. As you will appreciate, such an exercise would be a separate engagement to our audit appointment, since the scope and context of our audit work in these areas is necessarily limited.

This report has been prepared for the Board of Trustees, as a body, and we therefore accept responsibility to you alone for its contents. We accept no duty, responsibility or liability to any other parties, since this report has not been prepared, and is not intended, for any other purpose. It should not be made available to any other parties without our prior written consent.

Deloitte LLP
Chartered Accountants

London

30 September 2009

Appendix 1: Audit adjustments

Unrecorded audit adjustments

There were nine unrecorded audit adjustments identified during the prior year audit, the cumulative effect of which would have been a charge to the profit and loss account in the prior year of £6,130. These were all in relation to the cut off of income and liabilities at 31 March 2008. These items have all been corrected in the current year profit and loss account, resulting in an additional charge in the current year of £6,130. We identified three uncorrected misstatements in the current year, being the over-accrual of a purchase invoice of £5,391 and the disposal of fully depreciated tangible fixed assets with an estimated cost of £4,060 in APPCT and the removal of a balance of £11,040 from trade debtors to deferred income in Alexandra Palace Trading Limited.

Recorded audit adjustments

We report all individual identified recorded audit adjustments in excess of £6,000 and other identified misstatements in aggregate adjusted by management in the table below. We identified fewer audit adjustments during the current year audit than in the previous year.

	Note	Credit/(charge) to current year profit & loss account £'000	Increase/(decrease) in net assets £'000
Errors of fact			
APPCT			
Release of accrued income due from English Heritage	1	(29,145)	(29,145)
Reclassification of debit balances in trade creditors	2	-	-
Unaccrued purchase invoice	3	(6,824)	(6,824)
APTL			
Provision for trade debtor in relation to a future event	4	-	-
Reclassification of debit balances in trade creditors	5	-	-
Reclassification of defined contribution pension scheme contributions	6	-	-
Total		(35,969)	(35,969)

Appendix 1: Audit adjustments (continued)

- 1 An adjustment was made to release income accrued in respect of a grant from English Heritage. This balance was old and had not been settled by the funder as APPCT had not provided all information and documentation requested. Management are actively addressing this situation, however they have concluded that it is no longer virtually certain that the funds were received and therefore the criteria to recognise the income have not been met.
- 2 An adjustment was made to reclassify a number of debit items from trade creditors to trade debtors totalling £10,357.
- 3 An adjustment was made to accrue for a purchase invoice relating to services received by APPCT prior to the year end.
- 4 An adjustment was made to remove two invoices totalling £49,508 from trade debtors and deferred income in relation to an event which was due to take place in June 2009 but was cancelled. APTL has not received a signed contract from the customer and management believe that it is unlikely that any amounts will be recovered. There is no impact of this adjustment on the current year profit and loss account.
- 5 An adjustment was made to reclassify a number of debit items from trade creditors to prepayments totalling £80,041.
- 6 An adjustment was made to correct a misclassification of £7,640 between wages and salaries and defined contribution pension scheme contributions.

Appendix 2: Analysis of professional fees

	2009 £	2008 £
Fees payable to the company's auditors for the audit of the company's annual accounts	18,250	22,000
The audit of the company's subsidiaries pursuant to legislation	18,250	17,500
Total audit fees	36,500	39,500
Tax services	3,250	3,250
Total non-audit fees	3,250	3,250
Total	39,750	42,750

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Agenda item:

ALEXANDRA PALACE & PARK BOARD**On 15th October 2009**Report Title: **Theatre Update**Report of: **Andrew Gill, Interim General Manager, Alexandra Palace & Park Charitable Trust****1. Purpose**

- 1.1 To advise the Board on the current condition of the theatre pending the wider consideration on the use of the asset by Trustees at a later date.
- 1.2 To outline the current options available to the Board to address the dilapidation issues

2. Recommendations

- 2.1 The Board is asked to note the condition statements on the theatre
- 2.2 The Board is asked to provide guidance on their preferred course of action in addressing the dilapidations and potential re-use of the theatre.
- 2.3 That a further report is produced in March 2010 once the position of the General Dilapidation capital bid is known and the business case assessed.

Report Authorised by: **Andrew Gill, Interim General Manager**

A handwritten signature in blue ink, appearing to be 'A. Gill', is placed to the right of the text 'Report Authorised by: Andrew Gill, Interim General Manager'.

Contact Officer: **Andrew Gill, Interim General Manager, Alexandra Palace & Park, Alexandra Palace Way, Wood Green N22 7AY Tel No. 020 8365 4340**

3. Executive Summary

- 3.1 The condition of the theatre is in a very poor state of decay and repair.
- 3.2 Six options have been identified for the consideration of the Board. The option which officers consider to be best short term course of action is Option 2: Mitigating Action, Stage 1 of which involves making basic repairs to the ceiling using plywood supports. Access would remain restricted.
- 3.3 Trustees should note that the minimum cost for Stage 1 of Option 2 is estimated as £90,000 and that these funds are not readily available in the Trusts' current budget.
- 3.4 Monies have been included in a General Dilapidations Capital bid to the Council to protect and moth ball the asset in future years.
- 3.5 A business case is required to demonstrate that the theatre could be made into a viable operating business generating income for the Charity.
- 3.6 The theatre is not within the area of the Palace premises the trustees have granted

<p>licence to APTL to use</p> <p>3.7 Approaches to other funding streams (e.g. English Heritage) should be considered but the capacity to submit bid applications is very limited within APTL and APPCT and some external support may be required, with associated cost.</p>
<p>4. Reasons for any change in policy or for new policy development (if applicable)</p> <p>4.1 N/A</p>
<p>5. Local Government (Access to Information) Act 1985</p> <p>5.1 Report on the ceiling condition by A G Joy (Copy attached)</p> <p>5.2 King Sturge Building Surveyors Report on Condition 2005 (Copy available on request)</p>

6. Description

- 6.1 The Alexandra Palace Theatre is a Grade 2 listed building which is in a very advanced state of decay and repairs. Due to the danger of falling masonry the area has been designated a “restricted area” and viewing is restricted to the front foyer area via a Perspex screened window. The following report summarises the issues that need to be addressed and the options available for this building asset.
- 6.2 The theatre comprises of a foyer, an auditorium of some 600m² of theatre space with balconies plus a stage still equipped with a suite of historic stage machinery. Much of the construction and fabrications are made out of wood. There is an ornate fibrous plaster ceiling over the main auditorium which is bonded/fixed back onto a plaster and lath ceiling. Back in 1999 English Heritage commissioned a report on the facility with view to establishing a 5 year programme of fund raising to carry out a phased repair of the facility.
- 6.3 The 1999 report identified that the building was a poor design and recommended that it should not be re-developed as a theatre, on the basis of its design. They estimated that £200k (i.e. at today’s costs) were required to bring the building into a basic state of repair and a further £800k would be required to bring it back into a basic state of safety so that it could be used for multi-activities (e.g. music, recitals, recording, film shoots etc). The theatre is not within the area of the Palace premises the trustees have granted licence to APTL to use.
- 6.4 During the past 12 years or so some works have been carried out to the theatre as follows:-
- Roof made water tight.
 - Stabilisation of the internal ceiling
 - Under stage structural repairs
 - Basic works to the foyer area

6.5 The current condition of the theatre is assessed as follows:-

- Foyer
Area structurally sound but general facility is very tired, dilapidated and in need of refurbishment.

- Auditorium.
The main wooden floor is in a sound condition.

The roof structure has two beams that have moved and parts of the structure are floating; one beam has dropped 100mm. While catastrophic failure is unlikely, repairs are required as soon as possible. This will require scaffolding the area and jacking the wooden beams back into position for re-pinning.

Below the truss is a plaster lath ceiling onto which is bonded/ fixed an ornate fibrous plaster ceiling. A structural survey was re-commissioned in July 2009 and this has confirmed that the plaster lath ceiling is in poor state of repair and while the engineers did not feel a catastrophic failure would occur, pieces of plaster falling from high level could be anticipated. (See attached report from A G Joy in July 2009)

The plaster walls are also in a poor condition with adhesion failure of the plaster work evident.

- Balconies.
The floor and walls are in a very poor state of repair and these are designated restricted access only.
- Stage Areas
The main wooden floor is basically sound but the area has restricted access/egress via a side entrance. It is also has potential health and safety risks from trips and slips. Repair works are required to the:-
 - lower fly galleries
 - upper fly galleries
 - gaps that exist in the stage grid
 - access ladders
 - stage floor by over boarding the uneven floor and the installation of tie bars to some of the underside stage joists.
- Building Services (Fire Alarms & Lighting Systems).
The requirements of the Regulatory Reform (Fire Safety) Order 2005 came into effect on the 1st October 2006. This imposes stringent duties on APPCT to ensure that suitable and sufficient risk assessments have been carried out on all

areas, which includes the Theatre. During an assessment completed in July 2009 by the Fire Protection Association the Theatre was designated as High Risk, category 10 (unacceptable risk) area. Since the current fire alarm and evacuation system does not conform to British Standards and is not linked to the main building alarm system. Also while there is lighting with battery backup installed; the illumination levels are very poor in many places.

○ General Health & Safety

Under Section 4 of the Health and Safety at Work Act Persons in Control of Premises have responsibilities to:-

- Ensure safe access and egress to premises and plant
- Ensure that plant or substances in the premises are safe and without risk.

On the basis of the condition of the theatre together with the general health and safety issues (i.e. un-even floors, poorly guarded areas under the stage it is difficult for the APPCT to discharge these duties at this time. The area has therefore been designated by the Interim General Manager as a restricted area of access.

6.6 More recent budget costings for the site have been carried out to further assess the works that are required to address the dilapidations of the facility.

○ Shell of the building.

In 2005 a building condition audit of the Theatre was undertaken. This classified the area as an "A" which needed essential repairs and to be mothballed due to its condition. The estimated costs of these works inflated to 2009 prices indicated that an investment of £1.0 million was required to make good. (See table 1 & 2 below)

○ Internal Theatre Refurbishment

The recent ceiling survey identified that the repairs would cost from £90,000 for a very basic make safe using plywood supports; up to £450,000 for a like for like repair.

On top of these works repairs are required to the roof truss, installation of a fire alarm system and improvements to the lighting systems. All these works could add up to another £0.6 million investment.

The risk matrix within Appendix 1 identifies the key areas of risk to the theatre which Trustees should note.

The following indicative cost plan of £2.016 million (Table 1) has been estimated to return the Theatre back into an income generating facility.

Table 2: Extract from the Condition Survey Report 2005

Schedule of Developer Shell Repairs/Approximate Costs and 20 Year Forward Forecast Maintenance Costs Building Zone: Theatre

**Alexandra Palace
Building Zone: Theatre (Internals and roof levels only)**

Ref	Location	Element	Description	Condition	Condition code	Photos	Developer Shell Works					
							Works Required	Quantity		Approximate Cost		
								Lower	Median	Upper		
288	Generally	Theatre, foyer and tower (allowing for works to mothball Theatre)					1773	m2	£664,875.00	£709,200.00	£886,500.00	
		Provision temporary protection, temporary works, special access, cherry pickers etc.					5%		£33,243.75	£35,460.00	£44,325.00	
		Provision for preliminaries, overheads and profit					25%		£166,218.75	£177,300.00	£221,625.00	
		Provision for risk/ contingency					5%		£33,243.75	£35,460.00	£44,325.00	
		Initial budget for Theatre (Internals and roof levels only) based on fluctuation at 1 March 2005							£897,581.25	£957,420.00	£1,196,775.00	

6.7 Option Analysis

The options available to the Trust are limited by the lack of funding. The options to the Board are therefore as follows:

1. Do Nothing (not recommended)

The area has been made restricted access. The current issues with the ceiling need to be monitored and Personnel Protective Equipment used by all persons entering the area. These current arrangements could therefore continue, although there may be a risk of the complete failure of the ceiling. The Trustees could therefore be considered in breach of the Grade 2 listing of the site, where the Trustees have obligations to preserve the Theatre

2. Mitigating Action

Stage 1 Interim Solution: This would involve the basic repairs to the ceiling using plywood supports identified in Table 1 Cost Plan above. Access would remain restricted owing to the other safety considerations identified above. Trustees should note that the minimum cost is estimated at £90,000 plus and that these funds are not available in the Trusts' current budget unless Trustees reduce the repairs and maintenance budget for the remainder of the site. Alternative funding options maybe an urgent grant from English Heritage or from capital funds if the bid to council for General Site Dilapidations is approved.

Stage 2 Fund Raising: The Trust should seek further funding to address the more permanent repairs as outlined below.

3. Lease to a Third Party

There could be interest in the market to develop the theatre but there would need to be a clear Master Plan for the whole of Alexandra Palace for this to take place. Without a strategic future defined for the site with a clear linkage with the theatre investors may be reluctant to take risks on such an investment.

4. Initiate Fund Raising Campaign

Pending the articulation of a vision for the future of Alexandra Palace, the future of the theatre and the role it would play in hosting commercial and community activity, would be addressed in the master planning process. Once tested and a clear vision agreed, the funding strategy for leveraging investment into the site would be tackled. It may be that the agreed approach is to seek a mixture of private and public sector funding for the whole site - there is a strong imperative, as previously demonstrated, for a fundraising campaign for the theatre itself. One can envisage applying for grants from organisations such as the Arts Council, English Heritage, the Heritage Lottery Fund etc. which may require a level of match funding.

5. Seek Capital Funding from the Council

In the current economic climate capital monies are known to be very tight and any separate Theatre bid would be competing with the separate higher priority Alexandra Palace bids currently in place (e.g. Ice Rink & General Site Dilapidations). There would also need to be a sound business case for the investment which is not in currently in place.

Within the General Site Dilapidations bid, the 3 year £1.0 million year on year bid includes a sum of £0.5 million to make the Theatre safe and protect the asset.

6. Seek Funding from Others

English Heritage has previously demonstrated an ongoing commitment to the theatre as one of the most significant heritage assets that has survived at Alexandra Palace. Grant applications have enjoyed some success and one proposal would be to apply to English Heritage for part, if not all, of the £90k required to stabilise the ceiling. If match funding were required then another application to a funding body such as HLF or the Theatres Trust might be an option; if the trustees could not match fund themselves.

At this time Option 2, "Stage 1 Interim Solution" is considered by officers to be the best short term course of action and to continue with the restricted access policy.

In the meantime APTL be asked to review the business case for the Theatre to determine if there is a viable case for investing in the facility as an income generating venue. If this business case can be successfully made and the dilapidation capital bid from Council were successful consideration to seeking further matched funding should be considered (e.g. English Heritage).

It should be noted however that the capacity to prepare and submit bid applications is very limited within APTL and APPCT and some external support may be required, with associated cost.

7. Consultation

7.1 Consultation with the Friends of the Theatre has taken place.

7.2 Consultation with English Heritage is ongoing

8. Legal and Financial Comments

8.1 Under the terms of the Grade 2 listing of the site, the Trustees have obligations to preserve the Theatre, but have no obligations to restore the facility. This is documented in the Malkins Solicitors correspondence dated 6/11/96 "Alexandra Palace Consequence of Listing" letter.

8.2 The Trust has no reserves and generates an annual operating deficit which is funded by London Borough of Haringey. Annual revenue budgets are very tight and expenditure needs to be strictly prioritised, with a focus on those areas necessary to ensure the building remains compliant and to support the activities of the trading company.

8.3 The Trust's Solicitor has been sent a copy of this report and his comments have been reflected in the final draft.

8.4 The LBH CFO has been sent a copy of this report and his comments are below;

“I would recommend that the minimum level work is done to meet the legal obligations of the Trust and that requests for external funding are also sought. The Council is currently going through its business and financial planning process and it is already clear that resources are severely constrained”

9. Equalities Implications

9.1 There are no perceived equalities implications in this report.

10. Use of Appendices / Tables / Photographs

Appendix 1: Risk Matrix to the site

Appendix 2: Ceiling Survey during July 2009 by A G Joy (Attachment)

Appendix 1

Key Area of Risk to the Preservation of the Theatre

Key Areas of Risk	Potential outcome)	Probability of Happening	Impact to the Theatre	Risk Rating	Risk controls requirements	RAG Rating	Notes
External Roof fabric failure	Roof leaks causing extensive internal damage	2	1	2	External works have already been completed to make the roof weather proof	 	Risk is under control
External Wall Fabric	Brickwork and fenestration continue to decay and allow weather to penetrate building	3	1	3	Restoration works are required to address dilapidations.	 	Not under control in accordance with Grade 2 listing
Internal structural failure of the roof	The wooden roof structure fails	2	3	6	Two wooden trusses need to be re-pinned back in place	 	Not under control in accordance with Grade 2 listing
Internal structural failure of the ornate ceiling	The ornate plaster lathe ceiling fails in areas	3	2	6	Major works are required to address the condition of the ceiling	 	Not under control in accordance with Grade 2 listing
Fire risk	Lack of an adequate fire alarm and evacuation system a risk to users	3	2	6	Restricted access policy will eliminate the risk to site users	 	Restricted access policy mitigates the risk to site users
Lighting inadequate	Poor lighting and condition of the building presents a serious hazard to users	3	2	6	Restricted access policy will eliminate the risk to site users	 	Restricted access policy mitigates the risk to site users
Un-guarded areas	Under stage areas are potential fall hazards to users	3	2	6	Restricted access policy will eliminate the risk to site users	 	Restricted access policy mitigates the risk to site users
Failure to uphold the Grade 2 listing obligations	Under the terms of the Grade 2 listing of the site, the Trustees have an obligations to preserve the Theatre, but have no obligations to restore the facility	3	2	6	Capital investment required to the Shell and core services so that the Theatre can be preserved	 	Not under control in accordance with Grade 2 listing

Key	Probability of it Happening	Impact to the Theatre	Risk Rating
	3 = Likely to happen	3 = High	9 = Very high
	2 = May happen	2 = Medium	6 = High
	1 = Unlikely to happen	1 = Low	4 = Medium
			3 = Medium
			2 = Low
			1 = Very low

 	Risk out of control
 	Potential to become out of control
 	Risk under control

Appendix 2

Please see attached report: Joy Theatre Report.pdf

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A.G.JOY & SON LIMITED

**SURVEY OF THE PLASTERWORK
TO THE THEATRE CEILING
AT ALEXANDRA PALACE,
LONDON N22**

JULY 2009

Introduction

Having been involved with various projects at Alexandra Palace over the last 10 years or so, including work to the Theatre ceiling, we are somewhat familiar with the building's general condition and situation.

We installed the timber walkway in the ceiling void in 2002 and carried out essential temporary repairs and supports not long afterwards.

Through experience, we have become accustomed with the general arrangement, timber structure, lath and plaster and fibrous plaster mouldings.



Picture 1 – Typical section of Theatre ceiling

Purpose of the Survey

We have been commissioned to make an assessment of the ceiling plaster in the Theatre in order to establish the likelihood of failure in any capacity. In addition, we have considered temporary or permanent solutions to render the plasterwork safe enough for the area below to be utilised more frequently.



Picture 2 – Typical areas of failure

Inspection of the Ceiling

Structure

Although beyond our remit, we note that the timber ceiling structure is deflected in places and at least one of the morticed struts to a ceiling truss has dropped out of its socket. There is also a short truss to the access area which is hollow with dry rot or similar at it's junction with the wall. This has caused the truss to drop almost a brick's depth.



Picture 3 – Truss end suspected rotten

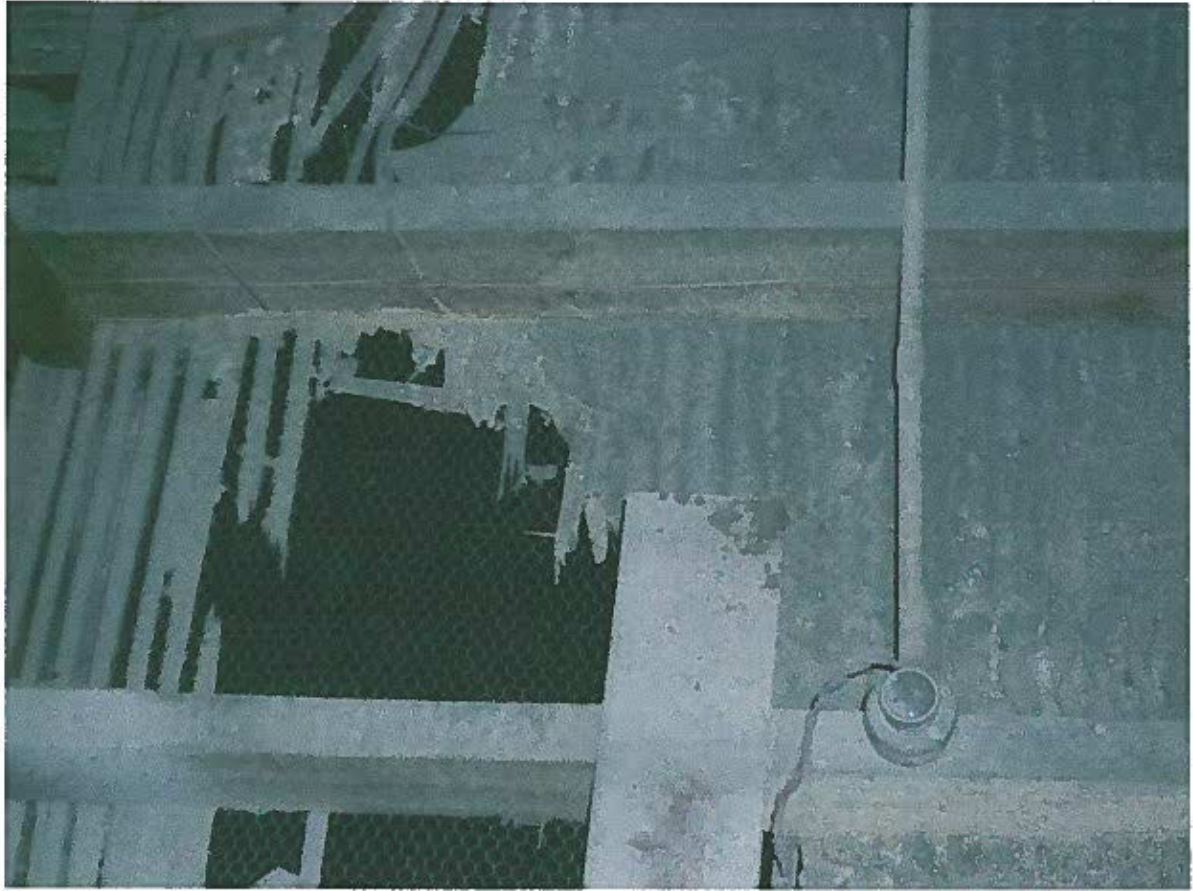
Composition

The ceiling is 3-coat lime plaster to timber laths to ceiling joists at regular intervals. The ceiling is generally lath and plaster including behind the applied fibrous plaster mouldings. As there is painted stencilling to the flat ceiling plaster behind the applied mouldings, it would appear that a flat stencilled ceiling was the original scheme with the fibrous plaster mouldings applied at a later date. These mouldings are pre-cast and mechanically fixed and 'wadded' with jute scrim and plaster.

The laths seem to be riven pine nailed with spacings to form the plaster key. The plaster is not over typical thickness (i.e. 20-25mm) and applied in three coats (render, float and set). Although we have not sent a sample off for analysis, we believe the undercoats to be haired sand and lime with a sand:lime setting coat.



Picture 4 – Piece of original stencilled ceiling plaster



Picture 5 – Joists, laths & lime plaster

Condition

It is clearly evident, from above or below the ceiling, that the plasterwork has and is continuing to deteriorate. This is really a combination of many contributing factors. We believe that the roof was leaking prior to the installation of the new roof covering and any ingress of water over a period of time has caused areas of decay and collapse.

There are also areas of mechanical failure where laths have become detached and areas of detached plaster due to failure of key, both of which have contributed to areas of total loss and missing plasterwork.

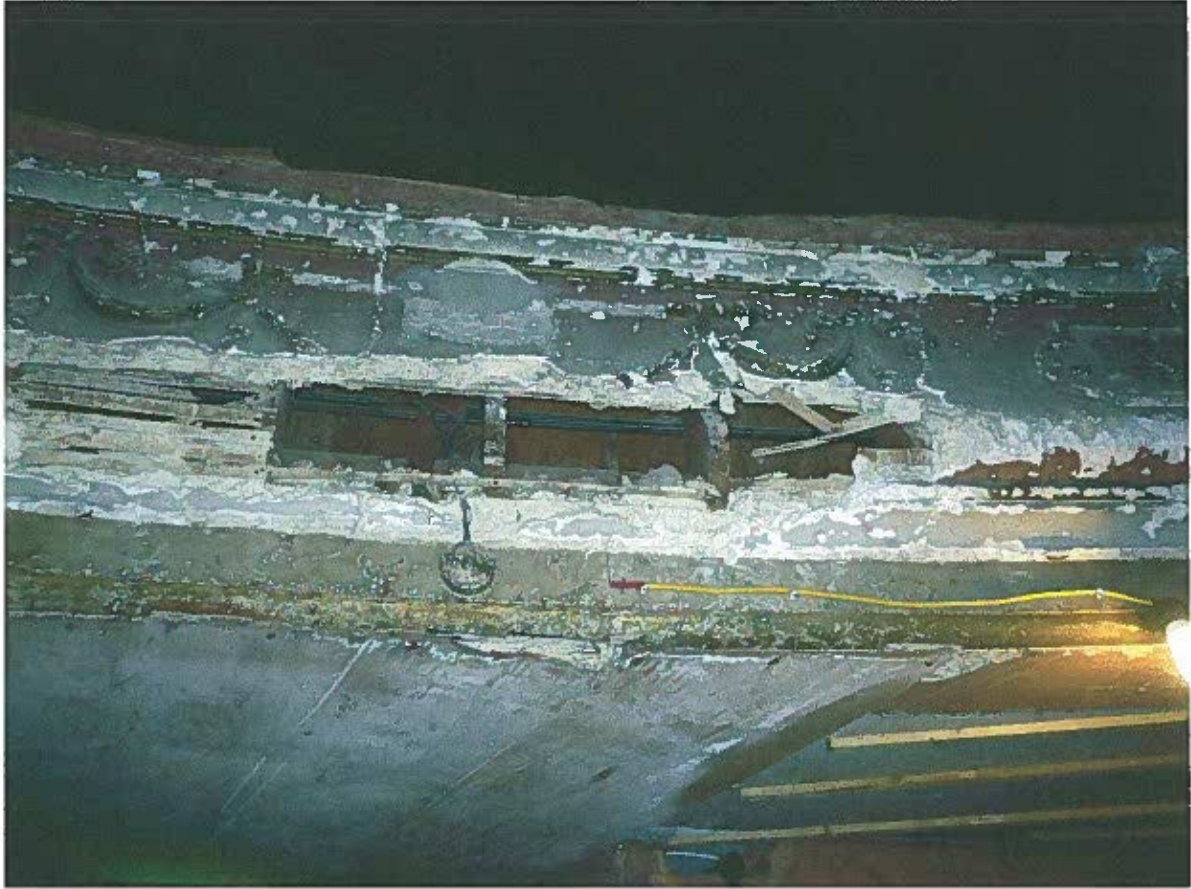
The applied fibrous plaster mouldings (everything projecting down from the underside of the ceiling) were pre-made in a workshop, brought to site and fixed in position. Fibrous plaster deteriorates over time and loses its integrity. The plaster stays firm but the Hessian reinforcement can decay. Most of the mouldings are reasonably well attached, however, failure has occurred. We addressed the worst of this during our previous remedial work programme which has prevented the loss of any larger sections, although the possibility of even minor failure cannot be ruled out.



Picture 6 – Failure to ceiling plaster & mesh chicken wire



Picture 7 – Typical fibrous plaster support



Picture 8 – Indication of the level of deterioration
(although not ceiling detail)

Previous remedial works

Prior to our involvement, half inch mesh chicken wire was fixed to the underside of the ceiling. This was a sensible control measure to retain plasterwork. The drawbacks of this, however, are the wire not being strong enough to support or contain heavy sections of moulding or plaster which can tear the wire and the mesh still being large enough to allow small plaster pieces to filter through.

As an additional measure, we were instructed to install temporary support battens screwed to the underside of the ceiling at regular intervals. This had a two-fold benefit in not only supporting the lath and plaster but also tightening the mesh chicken wire.

The fibrous plaster mouldings were also supported where necessary with battens, wire ties and screws.



Picture 9 – Some later fibrous plaster supports

Recommendations

As a general observation, we believe that the ceiling structure should be inspected by a relevant professional (if this has not already been carried out) prior to undertaking any further plaster preservation or stabilisation measures.

The temporary support measures previously carried out are still doing a good job but unfortunately do not guarantee any plaster, albeit small pieces, falling through. For example, if the timber floor below is swept clean, within a short period of time there will be evidence of more fallen plaster.

Options for a more permanent solution are as follows.

1. Total like-for-like replacement. This appears extreme as some elements, especially the applied mouldings, could be saved. However, this would be an option to consider and would certainly solve the problem.
2. Modern specification replacement. Most likely unsuitable with this kind of historic plasterwork but the use of plasterboard instead of lath and plaster would be a natural cost and time saving.
3. Stabilise and re-fix all the applied mouldings where possible, retain any flat plaster in good sound condition (minimal), remove loose ceiling plaster but retain laths or re-fix/replace as necessary and re-plaster with lime plaster.
4. Introduce a smaller gauge mesh as another temporary measure although this remains inconclusive.

Alternative option:

5. Having looked at this ceiling many times, a method of retaining all the original fabric for attention at a future date, maintaining the general appearance and preventing falling debris may be to introduce thin plywood panels to the flat plaster areas with screws and washers to the fixings above. This would act as a replacement for the wire and battens and would eliminate small particles falling. Plywood fillets could also be applied in a similar way to the flat sections of the fibrous plaster mouldings. If this plywood support system was then painted, the whole would give a similar impression to the original and would be completely stable.

In conclusion, the ceiling has not deteriorated much since our last involvement but still has issues. Therefore, the space below cannot be guaranteed fit for general use unless measures are taken. Whether it be one of the options suggested above or an alternative approach, i.e. small cocooned areas within the Theatre or temporary netting, the possibility of plaster (even tiny pieces) falling on someone cannot be ruled out.

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SUB CONTRACTORS TAX CERTIFICATE NO. 2331017964201

ALEXANDRA PALACE & PARK BOARD**On 15th October 2009**

Report Title: **Investment Considerations 2009/10 and 2010/11 (Part A general issues)**

Report of: **Andrew Gill, Interim General Manager, Alexandra Palace & Park Charitable Trust**

1. Purpose

- 1.1 To advise the Board on the current progress of the approved 2009/10 capital bid.
- 1.2 To advise the Board on the capital bids for 2010/11 currently being submitted to the Council.
- 1.3 To seek the Board's consideration of the investment needs of the site.

2. Recommendations

- 2.1 The Board is asked to note the progress report on the approved £300k capital works.
- 2.2 The Board is asked to endorse the capital bid made to the Council to replace the Ice Rink.
- 2.3 The Board is asked to endorse the capital bid made to the Council to address the general dilapidations and compliance works across the site.

Report Authorised by: **Andrew Gill, Interim General Manager**



Contact Officer: Andrew Gill, **Interim General Manager, Alexandra Palace & Park, Alexandra Palace Way, Wood Green N22 7AY Tel No. 020 8365 4340**

3. Executive Summary

- 3.1 The delivery of the £300k capital programme for 2009/10 is well advanced and a detailed work programme is provided in Appendix 1.
- 3.2 The Interim General Manager has submitted an outline capital bid on behalf of APTL for the 2010/11 financial year to the Council to replace the Ice Rink facility.
- 3.3 The Interim General Manager has submitted an outline capital bid for the 2010/11, 2011/12 & 2012/13 years to the Council to address general dilapidation & compliance works across the site.

4. Reasons for any change in policy or for new policy development (if applicable)

4.1 N/A

5. Local Government (Access to Information) Act 1985

5.1 No specific background papers were used in compiling this report.

Description

6.1 The sum of £300k capital monies were approved in June 2009 by the Council to address the following areas:-

<u>Item</u>	<u>Current Status at the 29/09/09</u>
○ West Hall flooring	Work completed
○ Cleaning machines	Equipment on order
○ Kiosks in Great Hall onwards	Work scheduled 12/10/09
○ Improve Palm Court 2/3 meeting room	Specification being finalised
○ Portable AV	Specification being finalised
○ Dishwasher	Completed
○ Motorised pallet truck	Completed
○ Crockery / cutlery / glassware	Completed
○ Ice Rink catering	Installation work in progress
○ Ad hoc catering Equipment	Completed
○ Automated answering service	the Council contracted to advise
○ Information point in Palm Court	Specification being finalised
○ General site signage	Specification being finalised

To date, the sum of £166k has been committed out of the £300k budget and appendix 1 shows a detailed programme of the works being completed.

6.2 A capital bid for the 2010/11 financial year has been submitted to the Council to replace the Ice Rink and a Market Study has been commissioned from Britton McGrath to support the bid.

Details of the bid are provided in Part B (Exempt Information) of this report.

6.3 A capital bid for the financial periods 2010/11, 2011/12 and 2012/13 has been made to the Council to address the general building and services dilapidations and compliance issues across the Alexandra Palace.

Details of the bid are provided in Part B (Exempt Information) of this report.

6.4 The Trust could withdraw either or both capital bids at this stage as final approval will not place until February 2010. The Interim General Manager has asked the Council's Director of Resources to register the bids in line with the Council's timetable and this has been done.

7. Consultation

7.1 N/A

8. Legal and Financial Comments

8.1 In terms of covering the necessary increase in revenue expenditure required in 2010/11, to enable the ice rink replacement to go ahead, the Interim General Manager has made appropriate representations to the Council in accordance with the Council's planning and budgeting process.

8.2 Trustees will be provided with further details of the amount of revenue funding required at the Board meeting in November when the Board will be asked to consider the Trusts' budget for 2010/11.

8.3 The Trust's Solicitor has been sent a copy of this report and has no comment to make.

8.4 The LBH CFO was asked to comment on this report and his comments are below;

"The Council will consider these bids for general capital resources within its current business and financial planning process. The main source of this type of funding for the Council is capital receipts from the sale of surplus assets and right to buy homes. This funding source has been severely affected in the current economic downturn and therefore the Council is very limited in the resources it has to allocate. On the ice rink bid, if the business case is robust in terms of producing additional income over and above current levels, then it is possible that prudential borrowing could be utilised to finance this and paid back over a relatively short period."

9. Equalities Implications

9.1 There are no perceived equalities implications in this report.

10. Use of Appendices / Tables / Photographs

Appendix I – Programme of works for the £300k 2009/10 capital spend

Appendix I – Programme of works for the £300k 2009/10 capital spend

Bid	Project	Activity	June	July	August	September	October	November	December	January	February	March	Budget	LIC	Committed	Invoiced	Notes	
1	West Hall Floor (John Barnett & Les Myers)	Define Scope of Works	COMP										£71,000	£75,245	£75,245		£5k Contingency sum in tender	
		Tender Works		COMP														
		Evaluation of Tenders			COMP													
		Place Order				1st wk Sept												
		Installation Works				14 to 28th												
		Handover					COMP											
2	Cleaning Machines (Mark De'ath)	Define Scope of Works	COMP	COMP									£43,000	£36,701			Ordered 22/9/09	
		Tender Works			COMP													
		Evaluation of Tenders				COMP												
		Place Order					COMP											
		Lead Time						Beginning Oct										
		Delivery																
3	Kiosks in Great Hall (John Barnett & Les Myers)	Define Scope of Works	COMP	COMP									£84,000	£70,223	£70,223			
		Tender Works			COMP													
		Evaluation of Tenders				COMP												
		Define Scope of Works					COMP											
		Installation Works																
		Handover															Tenders received and under review	
4	Palm Court 2/3 (John Barnett & Les Myers)	Define Scope of Works	COMP	COMP		Redefine							£12,500	£3,000			Table and Chairs	
		Tender Works			COMP													
		Evaluation of Tenders				COMP												
		Place Order																
		Installation Works																
		Handover															Tenders received and under review	
5	Roll About AV System (John Barnett)	Define Scope of Works			COMP								£10,000	£11,682			Reviewed 3/9/09	
		Tender Works				COMP												
		Evaluation of Tenders					COMP											
		Place Order																
		Lead Time																
		Handover																
6	Dishwasher (James Goldberg)	Define Scope of Works	COMP										£5,600	£2,775	£2,775			
		Tender Works		COMP														
		Evaluation of Tenders			COMP													
		Place Order				COMP												
		Delivery					COMP											
7	Crockery (James Goldberg)	Define Scope of Works	COMP										£7,200	£7,319	£7,319			
		Tender Works		COMP														
		Evaluation of Tenders			COMP													
		Place Order				COMP												
		Delivery					COMP											
8	Pallet Truck (James Goldberg)	Define Scope of Works	COMP										£3,500	£3,100	£3,100			
		Tender Works		COMP														
		Evaluation of Tenders			COMP													
		Place Order				COMP												
		Delivery					COMP											
9	Ice Rink Catering (James Goldberg)	Define Scope of Works	COMP										£1,500	£5,500				
		Tender Works		COMP														
		Evaluation of Tenders			COMP													
		Place Order				COMP												
		Installation Works																
		Handover																
10	Adhoc Catering (James Goldberg)	Define Scope of Works	COMP										£8,000	£7,361	£7,361			
		Tender Works		COMP														
		Evaluation of Tenders			COMP													
		Place Order				COMP												
		Delivery					COMP											
11	Telephone System (John Barnett)	Define Scope of Works	COMP	COMP	COMP								£7,500	£7,500			Report received from Charterhouse £29k with £5.8k savings p.a.	
		Tender Works																
		Evaluation of Tenders																
		Place Order																
		Installation Works																
		Handover																
12	Information Point Palm Court (John Barnett with Debbie & Katie)	Define Scope of Works											£15,000	£15,000			Reviewed scope 3/9/09	
		Tender Works																
		Evaluation of Tenders																
		Place Order																
		Delivery																
13	Signage (Katie)	Define Scope of Works											£31,200	£31,000				
		Tender Works																
		Evaluation of Tenders																
		Place Order																
		Installation Works																
		Handover																
Sub Total:-													£300,000	£276,406	£166,023	£0		
New	Phoenix Bar Furniture (James Goldberg)	Define Scope of Works											£0	£15,000			Added 3/9/09	
		Tender Works																
		Evaluation of Tenders																
		Place Order																
		Lead Time																
		Delivery																
New	Palace Suite Entrance (John Barnett & Les Myers)	Define Scope of Works											£0	£6,295			Added 3/9/09	
		Tender Works																
		Evaluation of Tenders																
		Place Order																
		Installation Works																
		Handover																
Grand Total:-													£300,000	£297,701	£166,023	£0		
														Over/Under:-	£2,299			

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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is exempt

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