

Report Title: **Final Consolidated statutory accounts for the year ending 31st March 2010**

Report of: **Head of Finance, Alexandra Park and Palace Charitable Trust**

1. Purpose

1.1 To approve the Annual Report and Consolidated Accounts of the Trust for the year ended 31st March 2010

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 complete the declarations of interest template included at Appendix 4. If no such declarations are required, each trustee must sign the declaration to that effect.

2.3 The Board formally considers whether it is appropriate to prepare the consolidated accounts on a going concern basis.

2.4 The Board approves the Annual Report and Consolidated Accounts for 2009/10 and nominates the Chair to sign them on behalf of the Trust for submission to the Charities Commission.

2.5 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 2010

2.6 The Board re-appoints Deloitte as auditors to Alexandra Park and Palace Charitable Trust for the financial year 2010/11.

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



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 2010 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 2010. This is included as Appendix 2 to this report.
- 3.3 When approving the Report and Accounts, the trustees should formally consider whether the Trust is able to continue as a going concern for at least twelve months from the date of signing the accounts.
- 3.4 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 4 to this report.
- 3.5 The Board is also asked to formally re-appoint Deloitte as auditors to the Trust for the financial year ended 31st March 2011.

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 2010

- 6.1 The draft results for the 2009/10 financial year were presented to the Board at their meeting of 7th June 2010. The net unrestricted deficit reported at that meeting, after a £400k gift aid payment from the trading company, was £2.326m. There have been no changes to that figure arising from the audit of the Trust or the trading company accounts.
- 6.2 The format of the Trustees' Report is largely unchanged from the previous year. The report has been updated to reflect progress on the review of the Trust's governance arrangements and future plans.
- 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 4. The auditors have issued an unqualified audit opinion on the accounts.
- 6.6 The Board should note that the Directors' Report and Financial Statements of APTL for the year ended 31st March 2010 were approved by the Directors of the trading company at their meeting of 24th September 2010. In approving the accounts, the Board duly considered whether the trading company is able to continue as a going concern for a period of at least twelve months from the date of signing the accounts. On the basis of evidence provided at the meeting, the Directors concluded that it was appropriate to sign the accounts on a going concern basis.
- 6.7 In approving the consolidated accounts, the trustees are also required to consider whether the Trust is able to continue to trade as a going concern for at least twelve months from the date of signing the accounts. The trustees should consider that the Council is obliged to provide ongoing financial support to the Trust under statute and that a revenue budget of £2.199m has been allocated by the Council for the financial year 2010/11. A revenue bid to increase this allocation by 2.5% will be submitted to the Council for 2011/12. The Council's current policy is to ensure that funds are provided to maintain the Trust's bank balance at a pre-agreed level, thus financing the working capital of the Trust. On this basis, it would be reasonable to conclude that the Trust is able to continue as a going concern for at least 12 months from the date of signing the accounts.
- 6.8 The provision of external audit services to the Trust and trading company was put out to tender in 2009/10 and Deloitte successfully retained the audit. 2010/11 will be their second year of audit following the re-tender. The combined fee for the 2009/10 audit is £29,500, which will increase by inflation in subsequent years. This represents a 19% saving on the audit fee for 2008/09, mainly achieved through improved efficiency in the Finance department.

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 has no comment.

The Head of Legal Services at LBH has been sent a copy of this report and has no comment.

The LBH CFO has been sent a copy of this report and notes the content of the report.

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 2010

10.2 Appendix 2 – Letter of representations

10.3 Appendix 3 – Declaration of interests

10.4 Appendix 4 – Report of the Auditors