

Appendix 2

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

14 October 2010

Dear Sirs

This representation letter is provided in connection with your audit of the financial statements of Alexandra Park and Palace Charitable Trust and its consolidated financial statements for the year ended 31 March 2010 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 2010 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 the 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 group have been properly reflected and recorded in the accounting records. All other records and related information, including minutes of all trustee, management and member 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 charity 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 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.

Appendix 2

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 group. 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 group 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 charity 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 charity'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. No claims in connection with litigation have been received. 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 by FRS 12 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 or are expected to be 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. There have been no events subsequent to 31 March 2010 which require adjustment of or disclosure in the financial statements or notes thereto.
14. Having considered our income streams and based on management's close monitoring of any donations we are satisfied that the total value of income as reported is not materially misstated.

Appendix 2

15. 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.
16. 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.
17. 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.
18. We have drawn to your attention all correspondence and notes of meetings with regulators, including any serious incident reports, where applicable.

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) £	Statement Financial Activities DR / (CR) £	of
UNDERSTATEMENT OF ELECTRICITY RECHARGE INCOME	9,418		(9,418)	
POTENTIAL UNDERSTATEMENT OF WATER INVOICE		(7,031)	7,031	