

Company Number: 3819988

ALEXANDRA PALACE TRADING LIMITED

Financial statements
31 March 2009

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ALEXANDRA PALACE TRADING LIMITED

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ALEXANDRA PALACE TRADING LIMITED

Directors, officers and advisers

Directors

P Egan (Chair)
S Thompson
G N Golby
T E Golding
W R Hare
N Scott
J A Parker

Secretary

H M Downie

Registered office

Alexandra Palace
Alexandra Palace Way
Wood Green
London
N22 7AY

Auditors

Deloitte LLP
Chartered Accountants & Registered Auditors
London

Bankers

The Co-operative Bank
195 High Road
London
N22 6DP

Solicitors

Bates, Wells & Braithwaite
Cheapside House
London
EC2V 6BB



ALEXANDRA PALACE TRADING LIMITED

Directors' report

Chairman's Introduction

It gives me great pleasure to introduce this report and the accounts of Alexandra Palace Trading Limited as Chair of the Board.

Having spent three years as a member of the Board of the Trading Company, it was with great pleasure that I seized the opportunity to become Chair of the company and the Charitable Trust to which it reports, in February 2009. I would like to take this opportunity to thank my predecessor, Cllr Matthew Cooke, for his chairmanship prior to my appointment and the ongoing support of all Board members who regularly guide and support the company in all that we do.

As Chair I have been impressed by the breadth of activity undertaken by the Trading Company in order to maximise the covenanted return to the Charitable Trust and enable the venue to stay true to its charitable objectives. On any given day the Palace could be hosting a film shoot in the Victorian theatre, staging an exhibition of hair products or railway modelling in the Great Hall whilst keeping hundreds of teenagers active and entertained on our award-winning ice rink.

2008/09 has been an exceptionally tough year and the Trading Company had barely recommenced trading when the economic climate changed beyond recognition. However, as the results show, a number of notable achievements were delivered and a respectable profit generated for the Charitable Trust which is crucial to the sustainability of the site. None of this is possible without the dedication and enthusiasm of the staff working within the Trading Company and I would like to thank them for their ongoing support and hard work. Without them Alexandra Palace would not be able to meet its objective of providing recreation and leisure to the millions who visit us each year.

I hope you enjoy reading about some of the highlights of 2008/09 on the following pages.

Cllr Pat Egan
Chair





ALEXANDRA PALACE TRADING LIMITED

Directors' report

The directors submit their report together with the audited financial statements for the year ended 31 March 2009.

The Director's report has been prepared in accordance with the special provisions relating to small companies in accordance with section 246(4) of the Companies Act 1985.

The principal activity of the company is to raise funds for its parent charity 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.

Achievements 2008/09

Aim 1: To maximise profit by exploiting existing and new business opportunities

Generating much-needed income to gift aid to the Charitable Trust for re-investment in the Palace and Park is at the very heart of the Trading Company's objectives. In 2008/09, despite the economic climate and a huge leap in the cost of gas and electricity, APTL still delivered a profit, before gift aid, of £435k.

Although half the anticipated return at the start of the year the Trading Company performed well in its first full year of trading since signing a new operating licence with the Trust in January 2008 and the lessons learned have been applied to future budget setting and cost control. The ongoing and visible lack of investment in the building continually proves a challenge.

Detailed event profit and loss statements have been introduced at pre contract stage and post event delivery. Profit and loss reports were regularly scrutinized and evidenced in the latter part of 2008/09 when potential savings and better cost control aided delivery of the re-forecast profit levels. Sales conversion rates are now subject to regular monitoring and review which provides motivation for the Sales team and a more accurate record of delivery and areas for focus.

Monthly business performance reviews were introduced for the Senior Management Team to encourage better monitoring and accountability. This also engendered a shared sense of delivery and marks the beginning of a real team ethos amongst senior management. This led to an accurate re-forecast position in January 2009 when the economic climate and rising costs led to an overhaul of the year end position. Prices were increased for ice skating for the first time in several years which better enabled the company to cover its costs and generate a substantial portion of the company's profit. This was achieved without significantly impacting on regular clientele.

In addition to securing repeat and loyal business to Alexandra Palace a significant four year deal was struck with PDC for staging the World Darts Championships. The success of the event across Christmas and New year 2008/09 is evident in the 30% increase in attendees and the volume of beverage sales generated as well as the positive Sky coverage of the Palace. Alexandra Palace has quickly earned itself a reputation as the 'home of darts'.

Aim 2: To improve the reputation of Alexandra Palace

Improving the reputation and brand of Alexandra Palace both internally and externally were key tenets of re-establishing the Trading Company in 2008. Following the uncertainty of the future of the venue when the developer withdrew interest, the trading company concentrated on raising its profile and ensuring business contacts were reinvigorated and new opportunities seized.

A new website was created and launched at the annual trade exhibition Confex '09 at Earls' Court.



ALEXANDRA PALACE TRADING LIMITED

Directors' report

Aimed at the corporate market the site is modern, slick, visually appealing and more dynamic than its predecessor. Additional functionality for event organisers was added.

Positive PR coverage was achieved both locally and within the trade. Appointments to Senior Management Team posts and the creation and promotion of the new Managing Director role were covered extensively, as was the four year PDC deal and other events staged at the Palace. Much work was invested in understanding client perceptions of the Palace and a customer survey was launched at the World Darts Championships in conjunction with PDC. The results demonstrated high satisfaction levels in the majority of areas but a need to improve the catering offer in 2009.

Internally, a newsletter was launched which captures news, staff development, celebrations and departmental updates. Quarterly staff meetings were also introduced which help facilitate an open dialogue between all staff on the site.

Aim 3: To improve customer focus, satisfaction and perception

The Trading Company made great strides in establishing working relations with the Trust in respect of maintenance schedules and repairs. Regular meetings were instigated to review the schedule of works and establish investment/repair priorities. From 2009 an additional handyman service was instigated to address dilapidations on a daily basis. This service reported to the Acting Head of Events and Operations who oversaw the works schedule.

The business planning process for the Trading Company in 2009/10 dovetailed more effectively with that of the Trust in recognition of the interdependence of the two budgets and the need to identify investment streams to support business delivery. This was effectively supported at Board level and led to the formulation of a £300k capital bid to the London Borough of Haringey.

As noted above, a major customer survey was introduced for the World Darts Championship event in December 2008. Some work also began on weekly checklists in respect of site presentation standards.

Aim 4: To become an efficient, well-run organisation

The financial controls and systems available to staff operating within the company underwent something of an overhaul in 2008/09. Following an internal audit review by the audit team within the London Borough of Haringey a number of prioritised measures were addressed including a Scheme of Delegation for the management team, a risk management framework, a commitment to annual internal audits, performance reviews and appraisals for all staff, CRB checks and better controls for banking and the separation of duties within a small finance team.

A new organisational structure was approved by the Board which led to the creation and recruitment to key posts within the executive and senior management team including a Managing Director, Head of Finance/Company Secretary, Head of Sales, Marketing and Communications and Head of Catering.

A month-long handover period between the outgoing Chief Operating Officer (seconded from Haringey) and the incoming Managing Director ensured a smooth transition between post-holders and minimized any potential loss of momentum. All those with management responsibility undertook training in completing appraisals with their team and the LB Haringey's appraisal system was formally adopted.

Training for APTL Board members was rolled out in November 2008 which outlined key responsibilities and the accountabilities associated with Board membership.



ALEXANDRA PALACE TRADING LIMITED

Directors' report

Going concern

The company operates under a four year rolling licence granted by Alexandra Park and Palace Charitable Trust. The object of the company is to generate profits in support of its parent entity, Alexandra Park and Palace Charitable Trust. The company pays the bulk of its profits to the Trust annually via gift aid and retains minimal profit and loss reserves. Since the adoption of FRS 17 during the financial year ended 31st March 2008, accumulated deficits in the company's defined benefit pension scheme have led to a net liability position in the company's accounts at the year end.

Nonetheless, the company has budgeted for a moderate increase in profit in 2009/10 and retains a high level of liquidity as hall and room hire fees are collected in advance of events taking place. On this basis, the directors of the Company believe it is appropriate to prepare these accounts on a going concern basis.

Directors and their interests

The directors of the company during the year and to the date of this report were as follows:

G N Golby	
T E Golding	
P Egan	(Appointed Chair 20 th February 2009)
B Hare	
M Cooke	(Chair – resigned 18 th December 2008)
J Oakes	(Resigned 29 th May 2009)
J Parker	
D Dogus	(Appointed 6 th January 2009, resigned 21 st May 2009)
N Scott	(Appointed 30 th June 2009)
S Thompson	(Appointed 30 th June 2009)

Directors' liability insurance

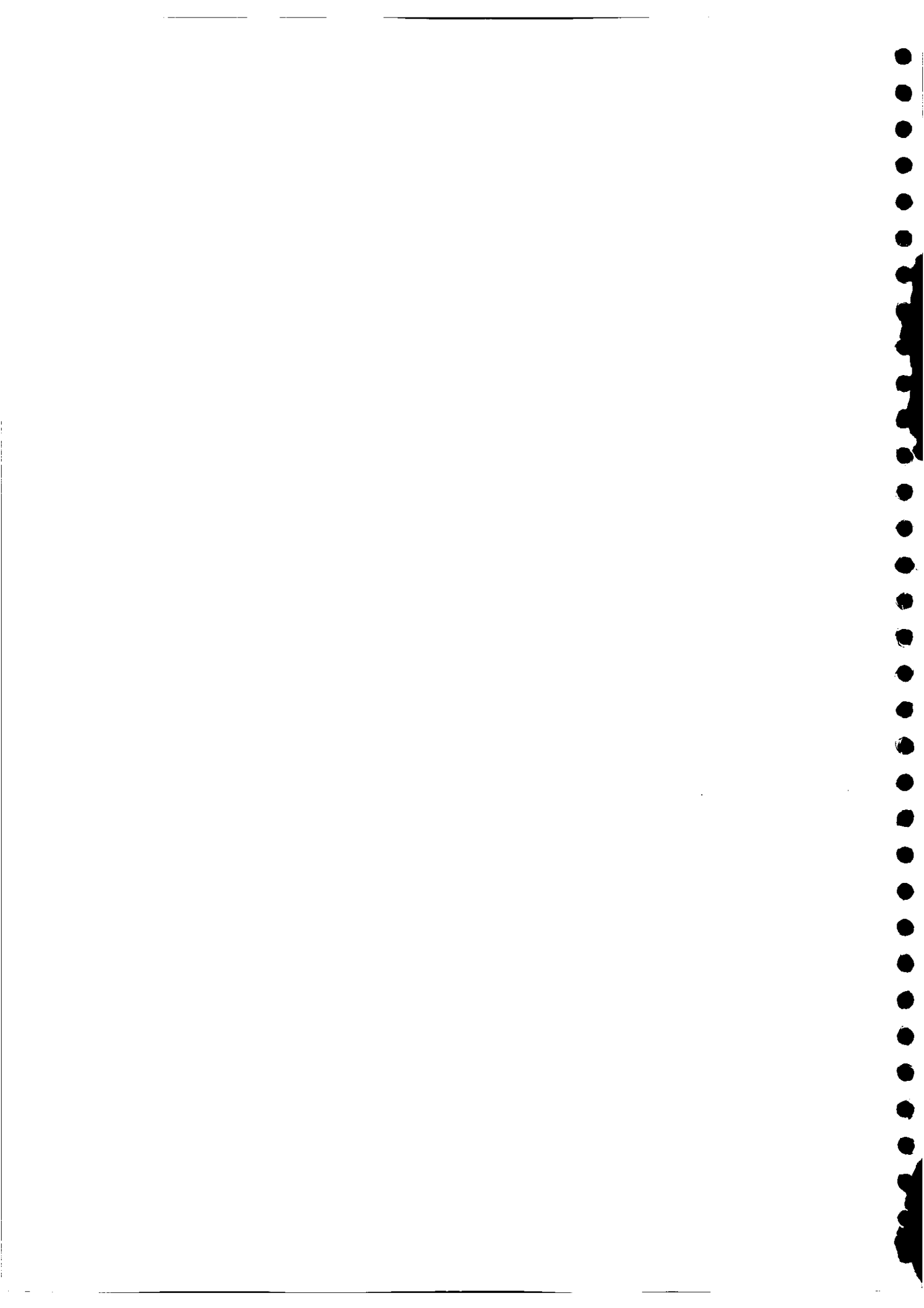
As permitted by Section 310 of the Companies Act 1985, the company has purchased insurance cover in respect of the directors' and officers' liability.

Provision of information to auditors

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware; and
- the directors have taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s234ZA of the Companies Act 1985.



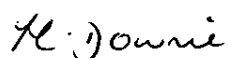
ALEXANDRA PALACE TRADING LIMITED

Directors' report

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 31st March 2010.

By Order of the Board



H M Downie
Secretary
4 September 2009



ALEXANDRA PALACE TRADING LIMITED

Statement of directors' responsibilities

The directors are responsible for preparing the Directors Report and the financial statements. Company law requires the directors to prepare such financial statements for each financial year which give a true and fair view of the state of affairs of the company and comply with UK GAAP and the Companies Act 1985. In preparing these financial statements the directors are required to:

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

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company, for safeguarding the assets, for taking reasonable steps for the prevention and detection of fraud and other irregularities and for the preparation of a Directors Report which complies with the requirements of the Companies Act 1985.

Independent auditors' report to the members of Alexandra Palace Trading Limited

We have audited the financial statements of Alexandra Palace Trading Limited for the year ended 31 March 2009 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Total Recognised Gains and Losses and the related notes 1 to 15. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the 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 Directors' Responsibilities.

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 Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

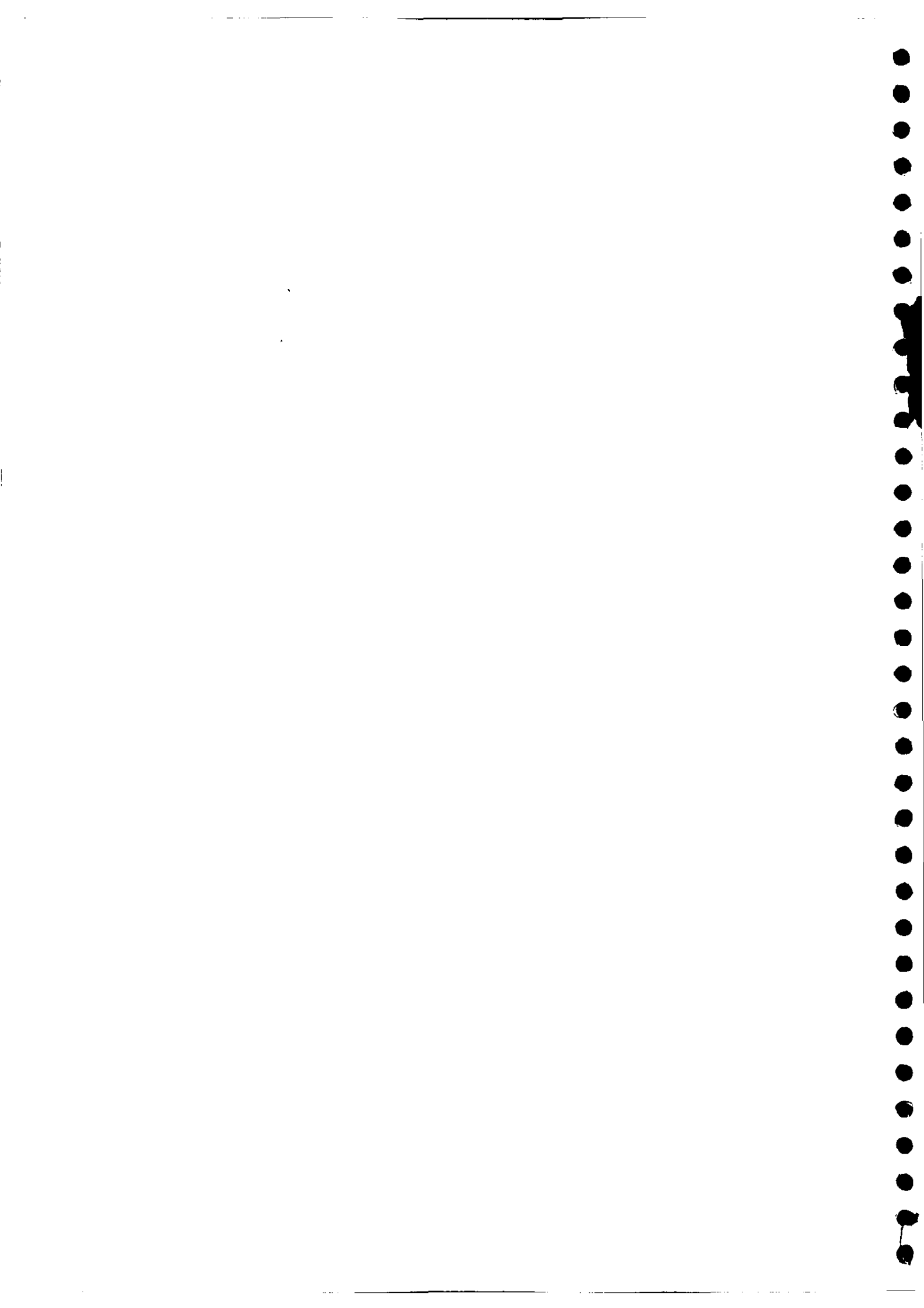
In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

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 directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company'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.



Independent auditors' report to the members of Alexandra Palace Trading Limited (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 company's affairs as at 31 March 2009 and of its loss for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.

Deloitte LLP

Deloitte LLP

Chartered Accountants and Registered Auditors

London

4 September 2009

ALEXANDRA PALACE TRADING LIMITED

Profit and loss account for the year ended 31 March 2009

	Notes	2009	2008
		£	£
Turnover	2	5,494,857	2,013,933
Cost of sales		(4,447,363)	(1,221,951)
Gross profit		1,047,494	791,982
Administrative expenses		(671,870)	(118,147)
Operating profit	3	375,624	673,835
Interest receivable		59,958	43,065
Profit paid via gift aid to Alexandra Park & Palace Charitable Trust		(468,234)	(713,000)
(Loss)/Profit on ordinary activities before taxation		(32,652)	3,900
Taxation	6	-	-
(Loss)/Profit for the financial year	12	(32,652)	3,900

There were no recognised gains and losses for the year other than those included in the results above.

All the above amounts relate to continuing activities.


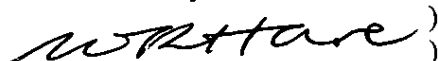
The notes on pages 13 to 23 form an integral part of these financial statements.

ALEXANDRA PALACE TRADING LIMITED

Balance sheet at 31 March 2009

	Notes	2009	2008
		£	£
Fixed assets			
Tangible assets	7	<u>4,256</u>	<u>5,674</u>
Current assets			
Stocks	8	71,666	69,444
Debtors	9	874,859	688,146
Cash at bank and in hand		<u>1,072,436</u>	<u>1,792,276</u>
		2,018,961	2,549,866
Creditors: amounts falling due within one year	10	(2,138,749)	(2,670,420)
Net current liabilities		<u>(119,788)</u>	<u>(120,554)</u>
Net liabilities excluding pension scheme liability		(115,532)	(114,880)
Pension scheme liability	14	(399,000)	(92,000)
Net liabilities including pension scheme liability		<u>(514,532)</u>	<u>(206,880)</u>
Capital and reserves			
Called up share capital	11	2	2
Profit and loss account	12	(514,534)	(206,882)
Shareholders' deficit		<u>(514,532)</u>	<u>(206,880)</u>

The financial statements set out on pages 10 to 23 were approved by the Board of Directors on 4 September 2009 and were signed on its behalf by

) Directors

The notes on pages 13 to 23 form an integral part of these financial statements.

ALEXANDRA PALACE TRADING LIMITED

Statement of total recognised gains and losses
Year ended 31 March 2009

	Note	2009	2008
		£	£
(Loss)/Profit for the year		(32,652)	3,900
Actuarial (loss)/gain on pension scheme	12, 14	(275,000)	80,000
Total gains and losses recognised in the year		<u>(307,652)</u>	<u>83,900</u>

ALEXANDRA PALACE TRADING LIMITED

Notes to the financial statements

1. Accounting policies

a) Basis of accounting

The financial statements have been prepared in accordance with the Companies Act 1985 and applicable accounting standards using the historical cost basis of accounting. Funds held in a custodial capacity are not included in the balance sheet.

b) Going concern

The company operates under a four year rolling licence granted by Alexandra Park and Palace Charitable Trust. The object of the company is to generate profits in support of its parent entity, Alexandra Park and Palace Charitable Trust. The company pays the bulk of its profits to the Trust annually via gift aid and retains minimal profit and loss reserves. Since the adoption of FRS 17 during the financial year ended 31st March 2008, accumulated deficits in the company's defined benefit pension scheme have led to a net liability position in the company's accounts at the year end.

Nonetheless, the company has budgeted for a moderate increase in profit in 2009/10 and retains a high level of liquidity as hall and room hire fees are collected in advance of events taking place. On this basis, the directors of the Company believe it is appropriate to prepare these accounts on a going concern basis.

c) Turnover

Turnover represents the income from hiring of halls and catering for exhibitions, banquets, conferences, weddings and other events, the Phoenix Public House and ice rink and excludes value added tax.

d) Leased assets

All leases are operating leases and the annual rentals are charged to the profit and loss account on a straight line basis.

e) Tangible fixed assets

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:

Office equipment, furniture and fittings: 25% on a reducing balance basis.

ALEXANDRA PALACE TRADING LIMITED

Notes to the financial statements

1. Accounting policies (continued)

f) **Stocks**

Stocks are valued at the lower of cost and net realisable value.

g) **Income in advance**

Income in advance is made up of payments that have been received for events that will take place in future years.

h) **Pension contributions**

The company operates a defined benefit pension scheme on behalf of certain employees.

The company complies with accounting standard FRS17 'Retirement Benefits' in respect of this scheme.

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 balance sheet as a pension scheme asset or liability as appropriate.

The carrying value of any resulting pension scheme asset is restricted to the extent the company is able to recover the surplus either through reduced contributions in the future or through refunds from the scheme. The pension scheme balance is recognised net of any related deferred tax balance.

Changes in the defined benefit pension scheme assets or liabilities arising from other factors than cash contributions by the company are charged to the Statement of total recognised gains and losses in accordance with FRS17.

The company also operates a defined contribution pension scheme on behalf of certain employees. For defined contribution schemes the amount charged to the profit and loss account 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.

i) **Cash flow statement**

The company has taken advantage of the exemption conferred on a wholly owned subsidiary by FRS 1 (revised) from the requirement to present a cash flow statement.

j) **Related party transactions**

Alexandra Palace Trading Limited is a wholly owned subsidiary of Alexandra Park and Palace Charitable Trust and as such, has taken advantage of the exemption conferred by FRS 8 not to disclose related party transactions between the Company and the Trust.

ALEXANDRA PALACE TRADING LIMITED

Notes to the financial statements

1. Accounting policies (continued)

k) Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

2. Turnover

Turnover is wholly attributable to the company's principal activities and is wholly derived from trade within the United Kingdom.

3. Operating Profit	2009 £	2008 £
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Operating profit is stated after charging:

Directors' remuneration (see note 4)	39,913	11,877
Fees payable to the Company's auditors - Audit	18,000	24,750
- Other (taxation)	3,250	3,250
Operating lease rental - other	42,092	5,983
Depreciation	1,418	1,366

4. Directors' remuneration	2009 £	2008 £
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Directors' emoluments	39,913	11,877
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The directors' emoluments for the current year relate to two paid non-executive directors (2008: two). The other directors comprising four trustees of the parent charity (2008: four) and one employee of London Borough of Haringey (2008: none) do not receive remuneration for their services. No directors are members of the APTL pension scheme (2008: none).

ALEXANDRA PALACE TRADING LIMITED

Notes to the financial statements

5. Staff costs (including directors)	2009 £	2008 £
Staff costs during the year:		
Wages and salaries	1,092,595	315,717
Social security costs	93,684	28,900
Defined benefit pension scheme service cost (note 14(a))	45,000	43,000
Personal pension scheme contributions (note 14(b))	25,153	17,903
	<u>1,256,432</u>	<u>405,520</u>

Average weekly number of persons employed during the year:

	2009 Number	2008 Number
Event management/operations	10	7
Catering	8	9
Pub	0	1
Sales and marketing	5	4
Management, administration and personnel	6	3
Ice rink	9	0
	<u>38</u>	<u>24</u>

ALEXANDRA PALACE TRADING LIMITED

Notes to the financial statements

6. Taxation

The company has no tax charge for the year (2008: £nil)

The tax assessed for the period is lower than that resulting from applying the small companies UK rate of corporation tax. The differences are explained below:

	2009 £	2008 £
(Loss)/Profit on ordinary activities before tax	(32,652)	3,900
Tax at 21% (2008:20%) thereon	(6,857)	780
Effects of:		
Expenses not deductible for tax purposes	190	54
Capital allowances in excess of depreciation	59	(450)
Other fixed asset timing differences	-	716
Other short term timing differences	6,608	(26,000)
Gift aid payment deferred	-	24,900
Current tax charge for the period	<u>Nil</u>	<u>Nil</u>

A deferred tax asset of £106,506 (2008: £67,113) has not been recognised in respect of timing differences relating to pension contributions and other short term timing differences. This asset will crystallise if the company makes sufficient profits in future against which the reversal of these timing differences can be recovered.

ALEXANDRA PALACE TRADING LIMITED

Notes to the financial statements

		Office equipment fixtures & fittings £	
7	Tangible fixed assets		
	Cost:		
	At 1st April 2008		34,084
	Additions		-
	At 31st March 2009		<u>34,084</u>
	Depreciation:		
	At 1 April 2008		28,410
	Charge for the year		<u>1,418</u>
	At 31 March 2009		<u>29,828</u>
	Net book value		
	At 31 March 2009		<u>4,256</u>
	At 31 March 2008		<u>5,674</u>
8	Stocks	2009	2008
		£	£
	Stocks comprise:		
	Food and beverages	71,666	69,444
		<u>71,666</u>	<u>69,444</u>
9	Debtors	2009	2008
		£	£
	Trade debtors	782,879	641,839
	Other debtors	1,618	704
	Prepayments and accrued income	<u>90,362</u>	<u>45,603</u>
		<u>874,859</u>	<u>688,146</u>

ALEXANDRA PALACE TRADING LIMITED

Notes to the financial statements

10	Creditors: amounts falling due within one year	2009 £	2008 £
	Trade creditors	210,572	361,681
	Amount due to parent charity	362,756	299,448
	Amount due under gift aid to parent charity	468,234	713,000
	Other taxes and social security costs	292,049	72,416
	Other creditors	2,936	-
	Accruals	194,607	233,123
	Deferred income	607,595	990,752
		<u>2,138,749</u>	<u>2,670,420</u>

11	Share Capital	2009 £	2008 £
	Called up and fully paid	2	2
		<u>2</u>	<u>2</u>

12	Reconciliation of movement in shareholder's funds	Pension Reserve £	Profit and Loss account £	Total £
	Opening shareholders' funds	(92,000)	(114,882)	(206,882)
	Loss for the financial year	-	(32,652)	(32,652)
	Pension charge in excess of employer contributions	(32,000)	32,000	-
	Actuarial loss on pension fund	(275,000)	-	(275,000)
	Closing shareholders' funds	<u>(399,000)</u>	<u>(115,534)</u>	<u>(514,534)</u>

13	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>

Notes to the financial statements

14. Pension scheme

a) 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.

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.

ALEXANDRA PALACE TRADING LIMITED

Notes to the financial statements

14. Pension scheme (continued)

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.

Recognition in the profit and loss account	2009 £'000	2008 £'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>

ALEXANDRA PALACE TRADING LIMITED

Notes to the financial statements

14. Pension scheme (continued)

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 PALACE TRADING LIMITED

Notes to the financial statements

14. 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.

15. Controlling party

The controlling party is Alexandra Park & Palace Charitable Trust (Charity number 281991). Copies of the consolidated accounts can be obtained from Alexandra Park & Palace Charitable Trust, Alexandra Palace, Alexandra Palace Way, London N22 7AY.