

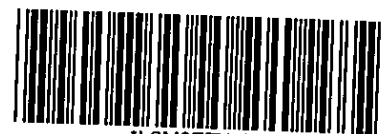
Company Registration No. 3819988

Alexandra Palace Trading Limited

Report and Financial Statements

31 March 2013

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Alexandra Palace Trading Limited

Report and financial statements 2013

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Alexandra Palace Trading Limited

Report and financial statements 2013

Officers and professional advisers

Directors

M Cooke (Chair)
J Stewart
K Muthalagappan (resigned 30 September 2012)
I Colaianni (appointed 13 June 2013)
R J Wills
W R Hare
N Scott
J A Parker

Secretary

N W R Watts

Registered Office

Alexandra Palace
Alexandra Palace Way
Wood Green
London
N22 7AY

Bankers

Natwest Bank
14 The Broadway
Wood Green
London
N22 6BZ

Solicitors

Bates Wells & Braithwaite
Cheapside House
London
EC2V 6BB

Auditor

Deloitte LLP
Chartered Accountants & Statutory Auditor
London

Alexandra Palace Trading Limited

Chairman's introduction

Chairman's Introduction

As Chair of the Board of Alexandra Palace Trading Limited ('APTIL') I am pleased to set out below the 2012/13 Directors' Report and Annual Accounts

APTIL had a very successful year, again performing significantly better than both the previous year and budget. The highlight was the hosting of the Dutch cultural house Heineken Holland House during the London Olympics in July and August. Over 18 days, more than 130 000 Dutch Olympic fans, Olympians and royals turned Ally Pally into their own orange People's Palace to celebrate the Olympics and our dedicated workforce worked tirelessly to ensure this cultural house would be remembered as one of the best.

The main focus for Alexandra Park and Palace Charitable Trust in 2013/14 continues to be the Regeneration Project which will transform both the Palace and Park and deliver a more sustainable future for both. The trading company's performance in 2012/13 has provided an excellent platform for this, both through its strong financial performance and the success it has had in raising our profile.

I would like to thank all the staff at APTIL for their contribution and commitment and I look forward to another highly successful year.



Cllr Matt Cooke
Chair

Alexandra Palace Trading Limited

Directors' report

The directors submit their report together with the audited financial statements for the year ended 31 March 2013

The principal activity of the company is to raise funds for its parent charity, Alexandra Park and Palace Charitable Trust ('the Trust') through the hiring of halls and catering for exhibitions, banquets, conferences, weddings and other events and the running of the Bar & Kitchen public house and the ice rink

Achievements 2012/13

APTL made excellent progress against its aims for 2012/13 which were to

- maximise profitability to re-invest in Alexandra Palace
- prepare the ground for Regeneration
- embed our values and vision in everything we do
- evolve as a team and working together to drive change
- deliver on our three year plan
- maintain a constant focus on improving customer service

Profits paid to the Trust via gift aid for 2012/13 at £1,261,000 were the highest for a number of years. The increased profitability has allowed us to increase capital expenditure, investing in a state of the art WiFi system, updating equipment and other spend-to-save measures. A new Head of Catering was appointed during the year and we strengthened the event management team. A new finance system was successfully implemented in November as part of our drive to improve systems and processes.

With a strong performance in 2012/13 especially Holland Heineken House in the Olympic period and the securing of further major contracts for 2013/14 APTL is well on track to delivering its three year plan up to 2014/15

Business Review

Alexandra Palace is maintained and run for the benefit of the public by the Alexandra Park and Palace Charitable Trust. With 148,000 square feet of useable space it hosts an events business, ice rink and catering operations. These are operated on a fully commercial basis, under licence by Alexandra Palace Trading Limited. All taxable profits are gifted by the company to the trust, enabling it to continue to run and maintain the building for future generations. Last year saw a significant growth in revenues from trading activities, with sales growing from £6.9m to £8.1m and the gift aid to the trust increasing by £0.37m to £1.26m.

London 2012 was an extraordinary summer of sport and the Palace had its part to play with the Torch Relay being carried by local heroes along Alexandra Palace Way. The event finished with an Evening of Celebration before the Palace threw open its doors to 130,000 Dutch sports fans visiting the phenomenal Holland Heineken House. This Dutch Olympic Cultural House is now in its 20th year and is considered the 'hot ticket' outside the Olympic Park, playing host to 6,000 people every night in the Great Hall. The entire venue was transformed into a home from home not only for Dutch Olympic fans but also media, VIPs and athletes celebrating their medal wins. The lasting legacy from this extraordinary event included upgrades to event spaces and infrastructure, improvements to catering units and deployment of the Xirus Wireless Arrays throughout the Palace.

Post Holland Heineken House the Ice Rink reopened to record numbers and by using a new online ticketing solution sold out its pantomime production of Sleeping Beauty. Investment in new skates, the introduction of a shop to the East Foyer, and rebranding the Ice Cafe, all contributed to improvements in revenue. The Bar & Kitchen, which was used as a live TV Studio during Holland Heineken House, also reopened with new initiatives to encourage its core

Alexandra Palace Trading Limited

Directors' report

customer base to return including a new menu and pulled in a strong performance through maximising opportunity provided by events

The Events business continued to demonstrate our live music credentials with big names such as Bombay Bicycle Club, Yeah Yeah Yeahs, Jack White and Suede entertaining at the Palace in 2012/13. Live Sport continued with the Darts World Championships followed by the World Championship of Ping Pong both televised on Sky and the Snooker Masters on BBC One. Our exhibition strategy continued to attract new business with five new exhibitions signing for 2013/14 delivery.

Looking forward, in 2013/14 a dynamic, passionate and committed team will continue to accelerate the growth potential of the "Peoples Palace". By delivering an extraordinary experience for the customer, supporting our people with training, and investing in our business we will deliver on our core aim to maximise commercial return and ensure the Trust's interests are protected through all trading endeavours.

The main risk faced by the company is associated with the infrastructure of the Palace. The Trust, which is responsible for the maintenance and upkeep of the building, has limited resources and a significant backlog of repairs to parts of the structure and associated plant and equipment has built up over many years. The Trust recognises this and in 2012/13 drew up a masterplan for the regeneration of the Palace, which was approved by its board after a successful public consultation exercise. The plan will be rolled out over the next few years. In addition, the company has been investing in replacing and improving its own equipment.

Going concern

The company is a wholly owned subsidiary of Alexandra Park and Palace Charitable Trust and operates under a four year rolling licence granted by the Trust. The Council of the London Borough of Haringey is the sole trustee of the Trust. The object of the company is to generate profits in support of its parent entity thereby offsetting the Trust's deficit funding requirement from the Council. The company pays its profits to the Trust annually via gift aid and plans to retain minimal profit and loss reserves.

Since the adoption of FRS 17 during the financial year ended 31 March 2008, adjustments relating to the company's defined benefit pension scheme have contributed to the net liability position in the company's accounts at the year end, although the pension liability represents a long term commitment. Fees for hiring of halls have to be paid to us in advance of events taking place and most of our catering activities are operated on a cash basis. Receiving the majority of our income well in advance of having to pay our suppliers means we can operate safely with negative current assets. The largest creditor in our closing balance sheet is for the gift aid payable to the trust in respect of 2012/13. This is usually paid in the December following the year end. Our cash flow projections for 2013/14 show that we will be able to meet this and all other liabilities as the company continues to trade profitably.

Taking all of the above facts into consideration and having reviewed the reasonably possible uncertainties within the forecasts, the directors of the Company believe it is appropriate to prepare these accounts on a going concern basis.

Alexandra Palace Trading Limited

Directors' report (continued)

Directors

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

M Cooke

J Stewart

W R Hare

J Parker

N Scott

T Colaianni (appointed 13 June 2013)

K Muthalagappan (resigned 30 September 2012)

R J Wills

Directors' liability insurance

As permitted by Section 234 of the Companies Act 2006 the company has purchased insurance cover in respect of the directors' and officers' liability

Dividend

No dividend is recommended by the directors (2012 £nil)

Provision of information to auditor

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

- so far as the director is aware there is no relevant audit information of which the company's auditor is unaware, and
- the director has 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 auditor is aware of that information

This confirmation is given and should be interpreted in accordance with the provisions of s418(2) of the Companies Act 2006

Auditor

Deloitte LLP have declared their willingness to continue in office and appropriate arrangements are being made for them to be deemed reappointed as auditors

By Order of the Board



N W R Watts
Secretary

24 July 2013

Alexandra Palace Trading Limited

Directors' responsibilities statement

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- 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 adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent auditor's 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 2013 which comprise the profit and loss account, the balance sheet, the statement of total recognised gains and losses and the related notes 1 to 16. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 auditor's 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 auditor

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies, we consider the implications for our report.

Opinion on financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2013 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

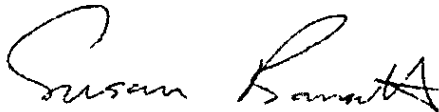
In our opinion, the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent auditor's report to the members of Alexandra Palace Trading Limited (continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if in our opinion

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us or
- the financial statements are not in agreement with the accounting records and returns or
- certain disclosures of directors' remuneration specified by law are not made or
- we have not received all the information and explanations we require for our audit



Susan Barratt BA ACA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
London

24 JULY 2013

Alexandra Palace Trading Limited

Profit and loss account Year ended 31 March 2013

	Notes	2013 £000	2012 £000
Turnover	2	8,148	6 872
Cost of sales		(6,188)	(5,092)
Gross profit		<u>1 960</u>	<u>1 780</u>
Administrative expenses		(648)	(848)
Operating profit	3	<u>1 312</u>	<u>932</u>
Interest receivable and similar income		12	7
Other finance (costs)/income		(5)	9
Profit paid via gift aid to Alexandra Park & Palace Charitable Trust		(1,261)	(893)
Profit on ordinary activities before taxation		<u>58</u>	<u>55</u>
Taxation	6	-	-
Profit for the financial year	12 13	<u><u>58</u></u>	<u><u>55</u></u>

All the above amounts relate to continuing activities

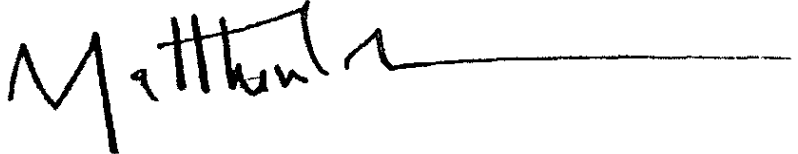
The notes on pages 12 to 21 form an integral part of these financial statements

Alexandra Palace Trading Limited

Balance sheet At 31 March 2013

	Notes	2013 £000	2012 £000
Fixed assets			
Tangible assets	7	179	12
Current assets			
Stocks	8	83	97
Debtors	9	580	803
Cash at bank and in hand		1,905	3,279
		<u>2 568</u>	<u>4 179</u>
Creditors' amounts falling due within one year	10	(2 924)	(4,390)
Net current liabilities		<u>(356)</u>	<u>(211)</u>
Total assets less current liabilities		<u>(177)</u>	<u>(199)</u>
Pension scheme liability	15	(485)	(466)
Net liabilities including pension scheme liability		<u>(662)</u>	<u>(665)</u>
Capital and reserves			
Called up share capital	11	-	-
Profit and loss account	12	(662)	(665)
Shareholder's deficit	13	<u>(662)</u>	<u>(665)</u>

The financial statements of Alexandra Palace Trading Limited company number 3819988 were approved by the Board of Directors on 24 July 2013 and were signed on its behalf by



Cllr Matt Cooke
Chairman

The notes on pages 12 to 21 form an integral part of these financial statements

Alexandra Palace Trading Limited

Statement of total recognised gains and losses Year ended 31 March 2013

	Notes	2013 £000	2012 £000
Profit for the year		58	55
Actuarial loss on pension scheme	12 15	(55)	(167)
Total gains/(losses) recognised in the year		<u>3</u>	<u>(112)</u>

Alexandra Palace Trading Limited

Notes to the financial statements Year ended 31 March 2013

1 Accounting policies

Basis of accounting

The principal accounting policies are summarised below. They have been applied consistently throughout the year and the preceding year. The financial statements have been prepared in accordance with United Kingdom accounting standards using the historical cost basis of accounting, with the exception of pension balances held at fair value.

Going concern

The directors' considerations regarding the going concern assumption are included in the Directors' Report on page 4. Taking these facts into consideration, and having reviewed the reasonably possible uncertainties within the forecasts, the directors of the Company believe it is appropriate to prepare these accounts on a going concern basis.

Turnover

Turnover represents the income from hiring of halls and catering for exhibitions, banquets, conferences, weddings and other events, the Bar & Kitchen and ice rink and excludes value added tax. Hall hire and event catering income is recognised in the period in which the event takes place.

Leased assets

All leases are operating leases and the annual rentals are charged to the profit and loss account on a straight line basis, even if the payments are not made on such a basis.

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
- Plant and machinery: 20% on a straight line basis

Stocks

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

Alexandra Palace Trading Limited

Notes to the financial statements

Year ended 31 March 2013

1. Accounting policies (continued)

Deferred income

Deferred income is made up of payments that have been received for events that will take place in future years

Pension costs

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 is recognised in the balance sheet as a pension scheme asset or liability as appropriate

For defined benefit schemes the amounts charged to operating profit are the current service costs and any gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the profit and loss account if the benefits have vested. If the benefits have not vested immediately the costs are recognised over the period until vesting occurs. The interest cost and the expected return on assets are shown as a net amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in the statement of total recognised gains and losses

Defined benefit schemes are funded with the assets of the scheme held separately from those of the company in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent currency and term to the scheme liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The resulting defined benefit asset or liability, net of the related deferred tax, is presented separately after other net assets on the face of the balance sheet

The Company also operates a defined contribution scheme. 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

Cash flow statement

The company has taken advantage of the exemption conferred on a wholly owned subsidiary where consolidated financial statements are prepared by FRS 1 (revised) from the requirement to present a cash flow statement

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 Year ended 31 March 2013

1 Accounting policies (continued)

Taxation

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date

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

	2013 £000	2012 £000
Operating profit is stated after charging		
Fees payable to the Company's auditor for the audit of the company's annual accounts	16	16
Fees payable to the Company's auditor for other services	3	3
Tax compliance services	6	9
Operating lease rentals	14	12
Depreciation of fixed assets - owned	32	4
	<u> </u>	<u> </u>

4 Directors' remuneration

	2013 £000	2012 £000
Directors' emoluments	<u>27</u>	<u>40</u>

The directors' emoluments for the current year relate to two paid non-executive directors (2012: two). The other directors comprising four trustees of the parent charity (2012: four) and one employee of London Borough of Haringey (2012: one) do not receive remuneration for their services. No directors are members of the APFL pension scheme (2012: none)

Alexandra Palace Trading Limited

Notes to the financial statements Year ended 31 March 2013

5 Staff costs (including directors)

	2013 £000	2012 £000
Staff costs during the year		
Wages and salaries	1,654	1,512
Social security costs	143	121
Pension cost	56	99
	<u>1,853</u>	<u>1,732</u>

Average number of persons employed during the year

	2013 Number	2012 Number
Revenue generating activities	63	60
Management, administration and personnel	7	9
	<u>70</u>	<u>69</u>

6. Taxation

The company has no tax charge for the year (2012: £nil)

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

	2013 £000	2012 £000
Profit on ordinary activities before taxation	58	55
Tax on profit on ordinary activities at 24% (2012: 26%)	14	14
Expenses not deductible for tax purposes	1	-
Capital allowances (greater than)/in excess of depreciation	(6)	1
Other short term timing differences	(9)	(15)
Tax charge	<u>-</u>	<u>-</u>

A deferred tax asset of £103,000 (2012: £110,000 at 24%) has not been recognised in respect of timing differences relating to pension contributions and fixed asset 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 Year ended 31 March 2013

7 Tangible fixed assets

	Plant and machinery £000	Office equipment, fixtures and fittings £000	Total £000
Cost			
At 1 April 2012	-	49	49
Additions	55	144	199
At 31 March 2013	55	193	248
Depreciation			
At 1 April 2012	-	37	37
Charge for the year	5	27	32
At 31 March 2013	5	64	69
Net book value			
At 31 March 2013	50	129	179
At 31 March 2012	-	12	12

8 Stocks

	2013 £000	2012 £000
Stocks comprise		
Food and beverages	68	78
Disposables	13	17
Other	2	2
	83	97

There is no material difference between the balance sheet value of stocks and their replacement cost

9 Debtors

	2013 £000	2012 £000
Trade debtors	525	755
Other debtors	29	-
Prepayments and accrued income	26	48
	580	803

Alexandra Palace Trading Limited

Notes to the financial statements Year ended 31 March 2013

10 Creditors, amounts falling due within one year

	2013 £000	2012 £000
Trade creditors	369	444
Amount due to parent charity	606	704
Amount due under gift aid to parent charity	1 261	893
Other taxes and social security costs	17	130
Other creditors	23	36
Accruals	170	232
Deferred income	478	1 951
	<u>2,924</u>	<u>4 390</u>

11. Share capital

	2013 £	2012 £
Called up and fully paid 2 ordinary shares of £1 each	<u>2</u>	<u>2</u>

12 Profit and loss account

	Pension reserve £000	Profit and loss account Trading reserve £000	Total £000
Opening balance	(466)	(199)	(665)
Profit for the financial year	-	58	58
Employer contributions in excess of pension charge	36	(36)	-
Actuarial loss on pension fund	(55)	-	(55)
Closing balance	<u>(485)</u>	<u>(177)</u>	<u>(662)</u>

Alexandra Palace Trading Limited

Notes to the financial statements Year ended 31 March 2013

13 Reconciliation of movement in shareholder's deficit

	2013 £000	2012 £000
Opening balance	(665)	(553)
Profit for the financial year	58	55
Actuarial loss on pension fund	(55)	(167)
Closing balance	<u>(662)</u>	<u>(665)</u>

14 Commitments under operating leases

	2013 £000	2012 £000
Commitments under operating leases		
Payments due within one year on leases expiring		
Land and buildings		
Within one year	6	27
Equipment		
Within one year	9	7
Within two to five years	10	-
	<u>25</u>	<u>34</u>

15 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 3 (2012: 3) scheme members still in the employment of the trading company as at 31 March 2013. 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 to meet its liability. The last actuarial valuation took place as at 31 March 2010. The valuation was carried out in accordance with the Guidelines GN9 Funding Defined Benefits – Presentation of Actuarial Advice published by the Board for Actuarial Standards. The valuation was carried out using the Projected Unit Method.

Alexandra Palace Trading Limited

Notes to the financial statements

Year ended 31 March 2013

15 Pension scheme (continued)

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

	Nominal % per annum
Rate of investment - equities	6.1 % per annum compound
Rate of investment - bonds	4.5 % per annum compound
Rate of pensionable salary increases (excl. increments)	1% for 2010-2012 reverting to 5.3% thereafter
Rate of price inflation/pensions increases	3.3 % per annum compound
Discount rate	6.1 % per annum compound

Alexandra Palace Trading Limited employer's contribution is 18.7% of salary. The total pension contribution for the year was £18,000 (2012: £23,000). In addition Alexandra Palace Trading Limited paid £41,000 (2012: £41,000) towards reducing the fund deficit.

The actuarial valuation described above has been updated at 31 March 2013 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	
	2013	2012
Pension increase rate	2.8	2.5
Rate of pensionable salary increases (excluding increments)	5.1	4.8
Discount rate	4.5	4.8
Expected rate of return on assets	5.1	5.6

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	21.9 years	24.7 years
Future pensioners	23.3 years	26.1 years

For the year ended 31 March 2013, the expected return on the above assets was £112,000 (2012: £133,000) less the interest on pension scheme liabilities of £117,000 (2012: £124,000). Therefore the net finance cost was £5,000 (2012: gain £9,000). The total cost to the profit and loss account for the year ended 31 March 2013 was £23,000 (2012: £16,000).

Alexandra Palace Trading Limited

Notes to the financial statements Year ended 31 March 2013

15 Pension scheme (continued)

Recognition in the profit and loss account

	2013 £'000	2012 £'000
Current service cost	18	25
Interest cost	117	124
Expected return on employer assets	(112)	(133)
	<u>23</u>	<u>16</u>

Of the charge for the year £12 000 (2012 £13 000) has been included in Cost of Sales and £6,000 (2012 £12,000) has been included in Administrative expenses £5,000 (2012 income £9 000) has been included in other finance costs

The actual return on plan assets was £311 000 (2012 £71 000)

Reconciliation of defined benefit obligation

	2013 £'000	2012 £'000
Opening defined benefit obligation	2 477	2 274
Current service cost	18	25
Interest cost	117	124
Contributions by members	5	7
Actuarial losses	255	105
Benefits paid	(84)	(58)
Closing defined benefit obligation	<u>2 788</u>	<u>2 477</u>

Reconciliation of fair value of scheme assets

	2013 £'000	2012 £'000
Opening fair value of scheme assets	2 011	1,925
Expected return on assets	112	133
Contributions by members	5	7
Contributions by the employer	59	66
Actuarial gains/(losses)	200	(62)
Benefits paid	(84)	(58)
Closing fair value of scheme assets	<u>2,303</u>	<u>2,011</u>

Alexandra Palace Trading Limited

Notes to the financial statements Year ended 31 March 2013

15 Pension scheme (continued)

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

	2013 £'000	2012 £'000	2011 £'000	2010 £'000	2009 £'000
Fair value of employer assets	2,303	2,011	1,925	1,805	1,259
Present value of defined benefit obligation	(2,788)	(2,477)	(2,274)	(2,783)	(1,658)
Deficit	(485)	(466)	(349)	(978)	(399)
Experience gains/(losses) on assets	200	(62)	56	372	(450)
Experience gains/(losses) on liabilities	4	(34)	(25)	-	-

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

The scheme assets are invested as follows

	2013 £'000	2012 £'000
Equities	1,728	1,448
Bonds	414	402
Property	138	141
Cash	23	20
Total	2,303	2,011

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

	2013 £'000	2012 £'000
Actuarial loss recognised in STRGL	(55)	(167)

The cumulative amount of actuarial losses recognised in the STRGL is £360,000 (2012: £305,000). Contributions of £62,000 are expected to be paid into the scheme during the year to 31 March 2014.

(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 £25,000 (2012: £34,000). There were no unpaid pension contributions as 31 March 2013 (2012: £nil).

16. Controlling party

The company's ultimate controlling party is the London Borough of Haringey. The parent undertaking of the largest group, which includes the company and for which group accounts are prepared, is the London Borough of Haringey. The parent undertaking of the smallest such group is Alexandra Park and Palace Charitable Trust (Charity number 281991). Copies of the group financial statements of the London Borough of Haringey are available from Haringey Council, Civic Centre, High Road, Wood Green, London N22 8LE. Copies of the group financial statements of Alexandra Park & Palace Charitable Trust are available from Alexandra Park & Palace Charitable Trust, Alexandra Palace, Alexandra Palace Way, London N22 7AY.