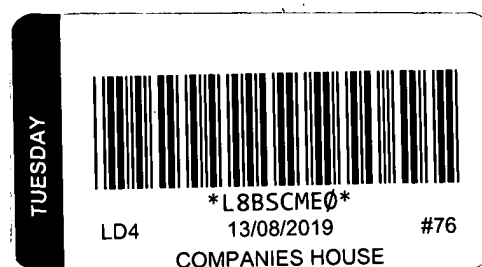


Company Registration No. 3819988

Alexandra Palace Trading Limited

Report and Financial Statements

31 March 2019



Alexandra Palace Trading Limited

Report and financial statements 2019

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Alexandra Palace Trading Limited

Report and financial statements 2019

Officers and professional advisers

Directors

Cllr J Christophides – outgoing Chair, resigned 19 June 2018
Cllr A Stennett – reappointed and Chair from 19 June 2018
Cllr B Hare – reappointed 19 June 2018 (*resigned 16th July 2019*)
Cllr D Carlin – appointed 19 June 2018
Cllr S Williams – appointed 19 June 2018 (*resigned 16th July 2019*)
Mrs L Stewart
Mrs E Dagnes – appointed 19 June 2018
Mr R Wills – (*resigned 16th July 2019*)
Cllr E Culverwell – appointed 16th July 2019
Cllr N da Costa – appointed 16th July 2019
Mr J Copas – appointed 16th July 2019
Mr A Morton – appointed 16th July 2019

Secretary

Mrs D Dominiczak

Registered Office

Alexandra Palace
Alexandra Palace Way
Wood Green
London
N22 7AY

Bankers

Barclays Bank

1 Churchill Place
Canary Wharf
London
E14 5HP

Solicitors

Russell-Cooke
2 Putney Hill
London
SW15 6AB

Independent Auditor Haysmacintyre LLP

Chartered Accountants and Statutory Auditor
10 Queen St Place
London
EC4R 1AG

Alexandra Palace Trading Limited

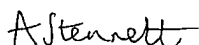
Chairman's Report

As the Chair of the Board of Alexandra Palace Trading Limited (APTL) I am delighted to set out below the Directors' Report and Financial Statements for the Financial Year 2018/19.

The Palace, which has been a place of entertainment, recreation and education for more than 140 years, continues to deliver a diverse year-long programme of events and activities enjoyed by millions of people each year. The 148,000 square feet of usable space hosts the events business, an ice rink and catering operations all of which are operated by Alexandra Palace Trading Limited, with profits gift aided back to the Alexandra Park and Palace Charitable Trust.

Key to Alexandra Palace's trading success is the passion and commitment of its staff who work tirelessly to deliver an extraordinary experience to our clients and customers every time and I wish to thank them for their hard work, without which the objectives of Alexandra Palace would not be achieved.

I hope you enjoy reading the rest of these accounts.



Anne Stennett
Director and Chair of APTL Board

Alexandra Palace Trading Limited

Strategic Report

In preparing this report, the Directors have complied with section s414A of the Companies Act 2006.

Trading Activity

APTL performed very well 2018/19 driving over £16 million turnover from events, hospitality and leisure activities despite the additional pressure of operating new spaces, achieving an increased level of Gift Aid contribution for the Charitable Trust. With the restoration levy and licence fee the total contribution from the Trading subsidiary was £2,378,000.

Key highlights

- 32 live music nights including performances from The Prodigy, Chemical Brothers, Bonobo, Rudimental and New Order attended by over 300,000 music fans. This was complimented by a refreshed Festival Village in partnership the contracted bar provider that provided entertainment, a wide selection of beers, craft beers, spirits and cocktails to enhance the overall concert experience.
- 22 exhibitions including several lifestyle shows such Country Living, Vegan Life, Mind Body, The Great British Tattoo Show and a number of trades shows which, in total, saw more than 200,000 visitors.
- 25 corporate events drove revenue from conferences - one banquet alone had more than 3,000 delegates in attendance.
- 18 different film companies shot a variety of commercials, feature films, documentaries, and dramas, and utilised our numerous car parking spaces for unit bases
- Multiple sporting events including William Hill World Darts Championship, Mosconi Cup, Dafabet Masters Snooker, World Championship of Ping Pong and Progress Wrestling drove valuable revenue.

In-house events continue to grow our event portfolio and support us in diversifying and attracting our local audiences.

- Fireworks was attended by 90,000 across the two days and was far more than a display, with circus performers, talking heads, a German beer festival, the street food village and other live performances. As our most successful home grown event this is a festival we are rightly proud of.
- Multiple StrEATlife events and the Great Fete brought the park to life through free entertainment for all to enjoy, attracting more than 40,000 visitors.
- Kaleidoscope, Alexandra Palace's first Arts & Music Festival and an initiative identified within the event growth plan, was delivered in July 2018 - a significant step in the organisation's history. Securing the outdoor licence meant that this event could take place across both park and palace. The event attracted 8,700 visitors and very positive reviews in key media such as The Evening Standard 4-star review ("Kaleidoscope was unbeatable"). Customers were able to watch headliners such as The Flaming Lips & the Ghost Poet perform on the park stage overlooking London's skyline. It also gave us the opportunity to open up the derelict basements for an immersive theatre experience from Tottenham theatre company, Rift. Ultimately, the 2018 festival launched the Kaleidoscope brand that captured the imagination of so many people that will continue to develop our audiences and take the in-house portfolio to new heights.

In December APTL began operating the newly refurbished Victorian theatre.

- In its first four months of opening the theatre hosted 61 performances with audience numbers exceeding 40,000.

Alexandra Palace Trading Limited

Strategic Report

- Alexandra Palace co-produced Richard 111 with industry leaders Headlong. The production achieved 4 stars from The Stage, The Times, Metro and Time Out. In addition, Birmingham Stage held 26 performances of Horrible Christmas, enjoyed by hundreds of families and more than a 17,000 customers at Christmas.
- A number of comedy nights from Dylan Moran, Gilbert and George and Dons of Comedy brought laughter into the space.
- The BBC held a number of music nights following an incredible few days hosting the incredible BBC PROMS in September, before the new spaces were opened to the public.
- The East Court launch was supported by our own Christmas Carnival with a multitude of entertainment including ice skating, panto, creative learning activities, Santa's grotto and a Christmas fair. This was attended by more than 20,000 people

The Ice Rink had a great year and increased its visitor numbers. The Ice Rink is open 364 days a year and hosts a variety of activities including courses, birthday parties, discos, private hire, an annual panto and now the ever growing popularity of their very own ice hockey team, the Haringey Huskies.

The year ahead looks even more exciting with the theatre developing its portfolio of events for its first full year of trading, 'Kaleidoscope Presents' will deliver small scale events to keep the event brand alive whilst we plan for the return of the festival in 2020. A revitalised outdoor Beer Garden and the bedding in of the new visitor services team will assist in improving the customer experience.

Risks

The principal risks for our business are:

- competition from existing alternative venues,
- the British weather to dampen our outdoor activities and to deter visitors to the Palace.

We mitigate these risks as follows:

For bad weather we have the space and capacity to bring our activities indoors so that clients are not dissatisfied and because of this we had no cancellations. We can also flex our catering opportunities accordingly to ensure internal catering is available through our many fixed outlets. With the addition of the restored East Wing there has never been so many public spaces available at Alexandra Palace before.

As a venue we are multipurpose with potential for many simultaneous activities taking place. We are a large venue with standing capacity for 10,000 visitors and have a number of distinct separate areas to cater for all types of clients.

We have one of the largest indoor ice rinks in London.

We have a diverse business and this is one of the major strengths of Alexandra Palace Trading Limited.

Approved by the Board of Directors
and signed on behalf of the Board on 16 July 2019



Anne Stennett

Chair of APTL Board

Alexandra Palace Trading Limited

Directors' report

The Directors submit their report together with the audited financial statements for the year ended 31 March 2019.

The principal activity of the company is to raise funds for its parent charity, Alexandra Park and Palace Charitable Trust, through the hiring of halls and catering for exhibitions, banquets, conferences, and other events, the running of the 'Bar and Kitchen' public house and the ice rink, and operating a newly refurbished Victorian Theatre.

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.

Directors

The Directors of the company during the year and to the date of this report are listed on page one.

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.

Gift Aid

In accordance with new guidance notes issued to accompany amendments to FRS102 issued in December 2017, as the trading company did not have a legal obligation to pay the charity its profits under gift aid at 31 March 2019 this distribution has not been recognised as a liability. The company intends to distribute its taxable profits of £2,078,000 to its parent charity within nine months of the financial year end (2018: £1,748,000).

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.

On behalf of the Board



Louise Stewart
Director

16 July 2019

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 Generally Accepted Accounting Practice) including FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". 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 judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed; 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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

Opinion

We have audited the financial statements of Alexandra Palace Trading Limited (the 'company') for the year ended 31 March 2019 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Changes in Equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2019 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the director's report and strategic report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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

- adequate accounting records have not been kept by the company, 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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 6, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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.



Richard Weaver
for and on behalf of Haysmacintyre LLP
Chartered Accountants and Statutory Auditor
London, United Kingdom

Date: 31 July 2019

Alexandra Palace Trading Limited

Profit and loss account Year ended 31 March 2019

	Notes	2019 £000	2018 £000
Turnover	3	16,555	13,809
Cost of sales		(13,312)	(10,899)
Gross profit		3,243	2,910
Administrative expenses		(1,146)	(1,134)
Operating profit	4	2,097	1,776
Interest receivable and similar income		10	6
Other finance costs		(29)	(34)
Profit on ordinary activities before taxation		2,078	1,748
Taxation	7	-	-
Profit on ordinary activities after taxation		2,078	1,748

All the above amounts relate to continuing activities.


The notes on pages 12 to 22 form an integral part of these financial statements.

Alexandra Palace Trading Limited

Balance sheet at 31 March 2019

	Notes	2019 £000	2018 £000
Fixed assets			
Tangible assets	8	541	486
Current assets			
Stocks	9	159	154
Debtors	10/11	1,616	2,099
Cash at bank and in hand		3,714	3,813
Total Current Assets		5,489	6,066
Creditors: amounts falling due within one year	12	(3,702)	(4,061)
Net current liabilities		1,787	2,005
Total assets less current liabilities		2,328	2,491
Pension scheme liability	15	(30)	(45)
Net assets		2,298	2,446
Capital and reserves			
Called up share capital	13	-	-
Profit and loss account		2,298	2,446
Shareholder's funds		2,298	2,446

The financial statements of Alexandra Palace Trading Limited, company number 3819988 were approved by the Board of Directors on 16 July 2019 and were signed on its behalf by



Anne Stennett
Chair of APTL Board



Louise Stewart
Director

The notes on pages 14 to 22 form an integral part of these financial statements.

Alexandra Palace Trading Limited

Statement of changes in equity Year ended 31 March 2019

	Notes	Pension reserve £000	Trading reserve £000	Total £000
At 31 March 2018		(45)	2,491	2,446
Profit for the year		-	2,078	2,078
Remeasurement of net defined benefit liability		15	(98)	(83)
Profit paid via gift aid to Alexandra Park & Palace Charitable Trust		-	(2,143)	(2,143)
At 31 March 2019		<u>(30)</u>	<u>2,328</u>	<u>2,298</u>

Comparative

	Notes	Pension reserve £000	Trading reserve £000	Total £000
At 31 March 2017		(192)	804	612
Profit for the year		-	1,748	1,748
Remeasurement of net defined benefit liability		147	(61)	86
Profit payable via gift aid to Alexandra Park & Palace Charitable Trust		-	(-)	(-)
At 31 March 2018		<u>(45)</u>	<u>2,491</u>	<u>2,446</u>

Alexandra Palace Trading Limited

Notes to the financial statements Year ended 31 March 2019

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.

General information and basis of accounting

Alexandra Palace Trading Limited ('the Company') is a company incorporated in the United Kingdom under the Companies Act.

The financial statements have been prepared under the historical cost convention, and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

The functional currency of the Company is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates.

Going concern

The directors' considerations regarding the going concern assumption are included in the Directors' Report on page 5. Taking these facts into consideration, and having reviewed the possible uncertainties within the forecasts, the directors of the company believe it is appropriate to prepare these accounts on the going concern basis.

Turnover

Turnover represents the income from hiring of halls (Theatre, West Hall and Great Hall) and catering for exhibitions, banquets, conferences, concerts 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:

- Plant and machinery: 4% -10% per annum on a straight-line basis;
- Office equipment, furniture and fittings: 20% per annum on a straight-line basis; and
- Motor Vehicles: 20% per annum on a straight-line balance basis.

Normally assets are not capitalised if they are under a single transaction value of £500.

Stocks

Stocks are valued at the lower of cost and net realisable value and on a first in first out basis.

Alexandra Palace Trading Limited

Notes to the financial statements Year ended 31 March 2019

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 FRS102: Section 28 "Employee 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 is 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 Changes in Equity.

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 and Related party transactions

The Company meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements.

The Company is consolidated in the financial statements of its parent, Alexandra Park and Palace Charitable Trust ('the Trust').

Exemptions have been taken in these separate Company financial statements in relation to the presentation of a cash flow statement and not to disclose related party transactions between the Company and the Trust.

Financial Instruments

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price (including transaction costs). The Company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Trade and other debtors are recognised at the settlement amount due after any discount offered and net of the bad debt provision. Prepayments are valued at the amount prepaid net of any trade discounts due. Creditors and provisions are recognised where the company has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Alexandra Palace Trading Limited

Notes to the financial statements Year ended 31 March 2019

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.

Current year's profits of £2,078,000 will be distributed via gift aid to the Alexandra Park and Palace and will therefore reduce the tax charge to nil. We have concluded that there is no need to recognise a tax liability.

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.

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. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

During the year there were no occasions arising where accounting judgements or estimates have been applied except for the actuarial assumptions used in valuing the pension fund deficit, see note 16.

3. Turnover

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

4. Operating profit

	2019 £000	2018 £000
Operating profit is stated after charging:		
Fees payable to the Company's auditor for the audit of the company's annual accounts	16	15
Fees payable to the Company's auditor for other services:		
Tax compliance services	2	2
Operating lease rentals		
– Land and buildings	6	6
– Others	30	30
Depreciation of fixed assets	106	120
	<u>106</u>	<u>120</u>

Alexandra Palace Trading Limited

Notes to the financial statements Year ended 31 March 2019

5. Directors' remuneration

	2019 £000	2018 £000
Directors' emoluments	94	12

The directors' emoluments for 2018/19 relate to:

- One paid non-executive director (2018: one)
- One executive Director received emoluments paid to her by the Alexandra Park and Palace Trust for her services as the Trust's CEO and for oversight of the Trading Company.
- The Trading Company executive director (2018: none)

The other directors, comprising four trustees of the parent charity (2018: four) have not received remuneration for their services.

Only the executive directors are members of the APTL pension scheme (2018: none).

6. Staff costs (including directors)

	2019 £000	2018 £000
Staff costs during the year:		
Wages and salaries	2,934	2,593
Social security costs	190	244
Pension cost - Defined benefit	5	12
Pension cost - Defined contribution	130	97
	<u>3,259</u>	<u>2,946</u>

Average number of persons employed during the year:

	2019 Number	2018 Number
Revenue generating activities	110	93
Management, administration and personnel	13	13
	<u>123</u>	<u>106</u>

Alexandra Palace Trading Limited

Notes to the financial statements Year ended 31 March 2019

7. Tax on profit on ordinary activities of trading subsidiary

The trading subsidiary has no tax charge for the year (2018: £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:

	2019 £000	2018 £000
Profit on ordinary activities before taxation	2,078	1,748
Tax on profit on ordinary activities at 19% (2018: 19%)	395	332
Expenses not deductible for tax purposes	2	1
Amounts (charged/credited) directly to STRGL or otherwise transferred	(16)	16
Adjustments to deferred tax (from 17% to 19%)	(3)	(4)
Deferred tax not recognised	(21)	(36)
Charitable donations	(357)	(309)
Tax charge	-	-

A deferred tax asset of £5,115 (2018: £9,379) in relation to short term timing differences has been recognised and set off against a deferred tax liability of £5,115 (2018: £9,379) in relation to fixed asset timing differences. A further deferred tax liability of £54,658 (2018: liability £33,350) has not been recognised in respect of fixed asset timing differences.

Alexandra Palace Trading Limited

Notes to the financial statements Year ended 31 March 2019

8. Tangible fixed assets

	Plant and machinery £000	Office equipment, fixtures and fittings £000	Total £000
Cost			
At 1 April 2018	411	381	792
Additions	115	46	161
Disposals	-	(162)	(162)
At 31 March 2019	526	265	791
Depreciation			
At 1 April 2018	72	234	306
Charge for the year	28	78	106
Disposals	-	(162)	(162)
At 31 March 2019	100	150	250
Net book value			
At 31 March 2019	426	115	541
At 31 March 2018	339	147	486

9. Stocks

	2019 £000	2018 £000
Stocks comprise:		
Food and beverages	121	129
Disposables	34	25
Gift items for Sale	4	-
	159	154

Alexandra Palace Trading Limited

Notes to the financial statements Year ended 31 March 2019

10. Debtors: amounts falling due within one year

	2019 £000	2018 £000
Trade debtors	797	1,096
Amount due from parent charity	92	99
Other debtors	1	-
Prepayments and accrued income	112	290
	<u>1,002</u>	<u>1,485</u>

11. Debtors: Amounts falling due after more than one year

	2019 £000	2018 £000
Included within Amounts due from parent charity	614	614
	<u>614</u>	<u>614</u>

Total Debtors:	1,616	2,099
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12. Creditors: amounts falling due within one year

	2019 £000	2018 £000
Trade creditors	776	903
Amount due to parent charity	119	112
Other taxes and social security costs	197	271
Other creditors	1,722	1,490
Accruals	478	279
Deferred income	410	1,006
	<u>3,702</u>	<u>4,061</u>

Alexandra Palace Trading Limited

Notes to the financial statements Year ended 31 March 2019

13 Called up share capital

	2019	2018
	£	£
Called up and fully paid		
2 ordinary shares of £1 each	2	2

14. Financial commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2019		2018	
	Land and buildings £'000	Other £'000	Land and buildings £'000	Other £'000
- within one year	1	30	1	30
- between one and five years	-	8	-	26
	<u>1</u>	<u>38</u>	<u>1</u>	<u>56</u>

Alexandra Palace Trading Limited

Notes to the financial statements Year ended 31 March 2019

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 is one (2018: two) scheme members still in the employment of the trading company as at 31 March 2019. 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 FRS102: Section 28 "Employee Benefits"

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 2016. 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.

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

	Nominal % per annum
Rate of pensionable salary increases (excl. increments)	2.8 % per annum compound
Rate of price inflation/pensions increases	2.1 % per annum compound
Discount rate	4.0 % per annum compound

Alexandra Palace Trading Limited employer's contribution is 35% of salary for 18/19 (2018: 35%). The total pension contribution for the year was £24,000 (2018: £24,000). In addition Alexandra Palace Trading Limited paid £103,000 (2018: £71,000) towards reducing the fund deficit.

The actuarial valuation described above has been updated at 31 March 2019 by a qualified actuary using revised assumptions that are consistent with the requirements of FRS102: Section 28 "Employee Benefits". Investments have been valued, for this purpose, at fair value using the current bid price.

The major assumptions used for the actuarial valuation for the year end date were:

	Nominal % per annum compound	
	2019	2018
Pension increase rate	2.5	2.4
Rate of pensionable salary increases (excluding increments)	3.1	3.0
Discount rate	2.4	2.6

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

	Males	Females
Current pensioners	21.8 years	24.1 years
Future pensioners	23.8 years	26.0 years

Alexandra Palace Trading Limited

Notes to the financial statements Year ended 31 March 2019

15. Pension scheme (continued)

Recognition in the profit and loss account

	2019 £000	2018 £000
Current service cost	29	30
Interest cost	93	90
Interest income on plan assets	(93)	(86)
	<u>29</u>	<u>34</u>

Reconciliation of defined benefit obligation

	2019 £'000	2018 £'000
Opening defined benefit obligation	3,608	3,664
Current & past service cost	29	30
Interest cost	93	90
Contributions by members	5	5
Actuarial (gains)/losses	174	(56)
Benefits paid	(96)	(125)
Closing defined benefit obligation	<u>3,813</u>	<u>3,608</u>

Reconciliation of fair value of scheme assets

	2019 £000	2018 £000
Opening fair value of employer assets	3,563	3,472
Interest income on plan assets	93	86
Contributions by members	5	5
Contributions by the employer	127	95
Actuarial (gains)/losses	91	30
Benefits paid	(96)	(125)
Closing fair value of employer assets	<u>3,783</u>	<u>3,563</u>

Alexandra Palace Trading Limited

Notes to the financial statements Year ended 31 March 2019

15. Pension scheme (continued)

The scheme assets are invested as follows:

	2019 £000	2018 £000
Equities	2,459	2,423
Bonds	1,021	820
Property	265	249
Cash	38	71
Total	<u>3,783</u>	<u>3,563</u>

Analysis of amount recognised in statement of equity.

	2019 £000	2018 £000
Actuarial gain/(loss)	<u>(83)</u>	<u>86</u>

(b) Auto-enrolment pension scheme

From June 2014 the company has operated an auto-enrolment pension scheme for all employees who joined after September 1999 and qualify to join the scheme. The scheme is administered by Scottish Widows. The company encourages its employees to contribute more than a minimum required contribution by doubling employee contributions up to 10%. Otherwise the scheme is operated at a minimum level of required contributions. The employer's contribution for the year was £130,000 (2018: £97,000).

16. Controlling party

The company's ultimate controlling party is the Alexandra Park and Palace Charitable Trust (Charity number 281991). Copies of the group financial statements of the Alexandra Park and Palace Charitable Trust are available from Alexandra Park & Palace Charitable Trust, Alexandra Palace Way, London N22 7AY.