



Alexandra Palace

2016 ANNUAL REVIEW

ALEXANDRA PARK & PALACE
CHARITABLE TRUST





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ABOUT US

Alexandra Park & Palace Charitable Trust

Alexandra Park was opened in 1863 as a leisure destination for Londoners. The original 220 acres of parkland were landscaped by Alexander McKenzie as a centre for education and entertainment and to provide a green oasis for Londoners.

Alexandra Palace was opened in 1873 with a purpose built railway line to bring visitors from Kings Cross. Built as the 'People's Palace', this remarkable seven-acre Grade II listed building remains one of London and the UK's most iconic structures, and in 1936 achieved global recognition as the birthplace of television.

Today Alexandra Palace is surrounded by 196 acres of Grade II listed parkland and offers unprecedented views of the city. The multi-award winning destination maintains its original enterprising spirit by hosting an eclectic mix of live music, sport, cultural and leisure events throughout the year.

Governance, structure & management

Governing Documents

Our governing documents are collectively known as the Alexandra Park and Palace Acts and Orders 1900–2004.

Alexandra Park and Palace was created as a trust by Act of Parliament in 1900, with further powers being conferred by subsequent acts in 1903, 1905 and 1913. In 1967 the organisation became a Charitable Trust, and it was registered with the Charity Commission in 1981. A further Act was passed in 1985 amending the previous legislation. Finally, the Charities (Alexandra Park and Palace) Order was passed in 2004.

In 1980 the functions of the trustees were transferred to Haringey Council as Corporate Trustee. The Trust is subject to company and charity law and Charity Commission Regulation.

The Charity's subsidiary company, Alexandra Palace Trading Limited is a company limited by guarantee governed by its Memorandum and Articles of Association dated 29th July 1999.

Appointment of the Members of the Corporate Trustee Board

The Alexandra Park and Palace Board is appointed by the Council and meets quarterly. Voting members are Haringey councillors, elected annually to reflect the political composition of the Council; non-voting members are appointed to provide additional advice and expertise.

Members of the Corporate Trustee Board who are also councillors step down for local government elections and those who are re-elected may be re-appointed at the annual general meeting of the Council held in May each year.

The Members of the Corporate Trustee Board must act exclusively in the best interests of the Trust when dealing with Trust matters. They have overall responsibility, representing the Corporate Trustee, for ensuring that the

charitable objectives are met and adequate systems of control are maintained to safeguard the Trust's assets, to provide reasonable assurance that it is operating efficiently and effectively, that it complies with relevant laws and regulations and that it maintains proper records.

To support the executive management team's operations, the Board reviews and approves the annual budget and appoints an auditor.

Induction and Training of the Members of the Corporate Trustee Board

At the beginning of each municipal year an induction meeting is arranged and Board members are provided with the governing documents together with key reports, minutes, budgets and audited accounts. Further training is considered on an individual basis.

To ensure that the best possible governance arrangements are in place for the Trust the Board have instigated a full governance review to take place over the next 18 months to ensure that robust and effective governance procedures are in place.

Organisation

Three committees advise the Board and meet separately on a quarterly basis. The Statutory Advisory Committee (SAC) was established by Act of Parliament to provide advice from a defined list of organisations. Haringey Council set up the Consultative Committee (CC) to provide advice to the Board from a wide range of local organisations. Finally, the Finance Resources and Audit Committee (FRAC) was set up to take delegated responsibility on behalf of the Board for overseeing the organisation's financial policies, performance, plans and risk management. The wholly owned trading subsidiary, Alexandra Palace Trading Limited (APTL), is governed by a separate Board appointed by the Trust.

Alexandra Park and Palace's executive team manages the day-to-day operations of the Park and Palace. Between them, members of the team have many years of experience across both public and private sectors.

Our Stakeholders

Alexandra Park and Palace Charitable Trust works closely with a number of special interest groups who each have a particular interest and experience in a unique area of Alexandra Park and Palace.

Members of these groups invest significant amounts of their own time on a voluntary basis and are represented across both the Statutory Advisory Committee and the Consultative Committee. Their noteworthy contribution and support is vital for the Park and Palace to thrive.

Our special interest groups

Friends of Alexandra Palace Theatre

Alexandra Palace Television Society

Friends of Alexandra Park

Alexandra Palace Television Group

Alexandra Palace Organ Society

Public Benefit

The 1985 Act defines our principal object as follows:

“To uphold, maintain and repair the Palace and to maintain the Park and Palace as a place of public resort and recreation and for other public purposes.”

In approving the Trust's plans and priorities, the Board have given due regard to the Charity Commission's guidance on public benefit. The Park has 2.8 million visitors each year and is open to the public free of

charge. It provides visitors with its wide range of facilities, activities and attractions all year round. The Palace has a public ice rink and is the venue for public concerts, exhibitions and sporting events, which add to our popularity as a visitor attraction.

In its current condition, approximately two-thirds of the Palace can safely be opened to the public, but a key focus of our regeneration programme is to make historic and long-closed parts of the Palace accessible to the public once again.

Diversity and disability

The Trust aims to treat all people with courtesy and respect, regardless of race, religion, gender, disability or sexual orientation.

Pay Policy for senior staff

The executive team headed up by the CEO with delegated authority from the Trust Board, comprise the key management personnel of the charity, which is in charge of directing and controlling, running and operating the Trust and trading subsidiary on a day to day basis. No Member of the Trust Board has received remuneration from the Charitable Trust or trading subsidiary in the year. Details of the Trust Board Members' expenses and related party transactions are disclosed in note 10 to the accounts. The pay of the senior staff is reviewed annually and normally increased in accordance with average earnings.

Risk Management

The Board has identified the major risks to which the Trust is exposed. A formal process is in place to ensure that risks are managed and a strategic risk register is kept up to date and reported on at each Board Meeting.

This work has identified a lack of robust long term financial plan for the Trust to counter reliance on the Corporate Trustee for grant funding.

The key element in the management of financial risk is to develop the strategic direction and forward planning for the charity. This will be implemented by strategic vision work that will be undertaken in 2016/17 for the Charitable assets which will allow the Trust to develop its own 10 year strategy.

Attention has also been focussed on our governance which is under review for improvement to ensure that we have robust and effective monitoring, policies and procedures in place.

The Board's risk statement is as follows:

The Board members of the Alexandra Park and Palace Charitable Trust have set the Charity's risk tolerance which is articulated and communicated so that personnel understand that they need to pursue objectives within acceptable limits. The Risk Programme Management is governed by the Board with processes in place for the identification, evaluation and management of significant risks faced by the Alexandra Park and Palace Charitable Trust.

This information is embodied in a strategic risk register which is reviewed at Executive Team Meetings, Finance Risk and Audit Committee (FRAC) meetings and meetings of the Board. The FRAC provides assurance to the Board on key issues around risks related to financial planning, capacity and reporting; internal control and compliance.

The FRAC approves the appointment of the internal and external auditors, reviews the management accounts, provides oversight of the budget process, and scrutinises the annual accounts and internal audit programme. The key focus for FRAC for the next financial year will be to continue to improve risk management across the organisation with implementation of the Risk Management Policy.

Our principal risks are the lack of long term strategic direction for the Charity, the lack of a robust long term financial plan for the Trust, the East Wing restoration in terms of project cost over runs and failure to achieve the fundraising target of £1m. In 2016/17 the trust is

commencing work to create a long term Strategic Vision for the Historic Assets and a 10 year Strategy for the Trust. This work will in turn provide the information required to develop the Trusts long term financial plan. The East Wing restoration project is overseen by the Board, the programme board and the cost control panel and regular reporting is in place, to ensure that the project is closely managed and issues are remedied quickly. The trust is reinvigorating its fundraising efforts with a revised approach and has invested in a skilled and experienced Director of Fundraising.

Statement of Trustee's responsibilities

The trustee is responsible for preparing the Trustee's Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period.

In preparing these financial statements, the trustee is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable 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 charity will continue in business

The Corporate Trustee of the Alexandra Park and Palace Charitable Trust is Haringey Council and the members of the Trust Board serving during the year and since the year end were as follows:

Board Members

1. **Cllr Joanna Christophides**
Chair from June 2014
2. **Cllr Tim Gallagher**
from June 2014
3. **Cllr Patrick Berryman**
from June 2014
4. **Cllr Bob Hare**
from June 2014
5. **Cllr Liz McShane**
from May 2015
6. **Cllr Anne Stennett**
from May 2015
Cllr Jennifer Mann
until May 2015
Cllr Barbara Blake
until May 2015



Non Voting Members

7. **Gordon Hutchinson**
CC Chair from June 2014
8. **Colin Marr**
CC Representative from June 2014
9. **Nigel Willmott**
CC Representative from June 2014
10. **Robert Kidby**
Non-Executive from May 2014
11. **Cllr Stephen Mann**
SAC Representative (observer)
from October 2015



Executive Team

12. **Erica Wilkinson**
Company Secretary
13. **Louise Stewart**
Chief Executive
14. **Emma Dagnes**
Deputy Chief Executive
15. **Dorota Dominiczak**
Director of Finance & Resources
16. **Lucy Fenner**
Commercial Director
17. **Simon Fell**
Director of Event Operations
18. **James Atkinson**
Director of Fundraising



MESSAGE FROM THE CHAIR

Welcome to the 2016 Annual Review

It has been an exciting year for the trust, as the first phase of construction work began on the restoration of the East Wing of the Palace – work which will ultimately restore our Victorian theatre, bring the original BBC studios back to life as a visitor attraction, and turn the East Court into a welcoming arrival space.

With Alexandra Palace currently 40% derelict, this vital work will increase the Palace's usable space and help bring the Palace back to life in the spirit of our Victorian founders.

What is perhaps less well known is that, although the East Wing restoration is chiefly funded by the Heritage Lottery Fund, Haringey Council and the Trust's own limited resources, not all the money we need will come from these three sources. That is why, in summer 2015, we launched our £1m public appeal for the East Wing restoration.

“We cannot rest on the successes we have achieved. We need to constantly improve what we do and how we do it.”

In launching this appeal, our minds are not only on the East Wing restoration itself, but we also hope to instil in people the idea of charitable giving to Alexandra Park and Palace, as we build our fundraising efforts going forward.

After all, the costs each year in repairing and maintaining this vast Victorian building and its 196 acres of grounds are significant – and our goal is to seek support from the public to help us meet our charitable aims.

The Charitable Trust achieved 50% of its funding in 2015/16 from commercial activities undertaken through our trading subsidiary, which donates its taxable profit back to the Trust through Gift Aid. So I am delighted to be able to say that this was our most successful financial trading year to date.

This year we were able to retain key commercial clients, such as the various organisers of World Darts, The Knitting and Stitching Show, Masters Snooker, the Dinghy Show and the Great British Tattoo Show. To have so many repeat clients makes us confident about securing income into the future.

We also successfully developed our in-house events programme, including our Fireworks Festival, the Summer Festival, the Street Food Festival and Springfest – and continued to attract visitors both to the ice rink and Park, and to events run by our learning and community programme for local schools, groups and families.

**SOUTH TERRACE
ALEXANDRA PALACE**



These activities represent some of the many reasons why 2.8 million people visited the Park and Palace this year – with 720,000 of those coming specifically for events. Ultimately, this helps us succeed in our fundamental mission to be a “place of public resort and recreation”.

Finally, this year we made key appointments within our organisation. We welcomed Louise Stewart as chief executive, and have created two entirely new roles. Erica Wilkinson has joined us as company secretary; she will be reviewing our governance and putting in place processes to ensure good governance in future. Meanwhile, James Atkinson has joined us as director of fundraising; he is here to help us invigorate our East Wing fundraising project and, just as importantly, develop our fundraising strategy for the long term.

We cannot rest on the successes we have achieved. We need to constantly improve what we do and how we do it.

We welcome comments on our performance. Information on how to do this is contained on our website and James Atkinson can be contacted on james.atkinson@alexandrapalace.com for further information about donations and fundraising.

Joanna Christophides
Chair of the Board of Trustees

BUILDING A STRONG FOUNDATION FOR THE FUTURE

Message from the CEO

In the past five years, we have had a great deal of success at Alexandra Park and Palace, from the growth of our commercial operations, which allow profit to be reinvested back into the trust, to our successful bid to the Heritage Lottery Fund for the restoration of the East Wing of the Palace.

In 2016/17, we have the chance to consolidate this success and build a solid foundation for the future.

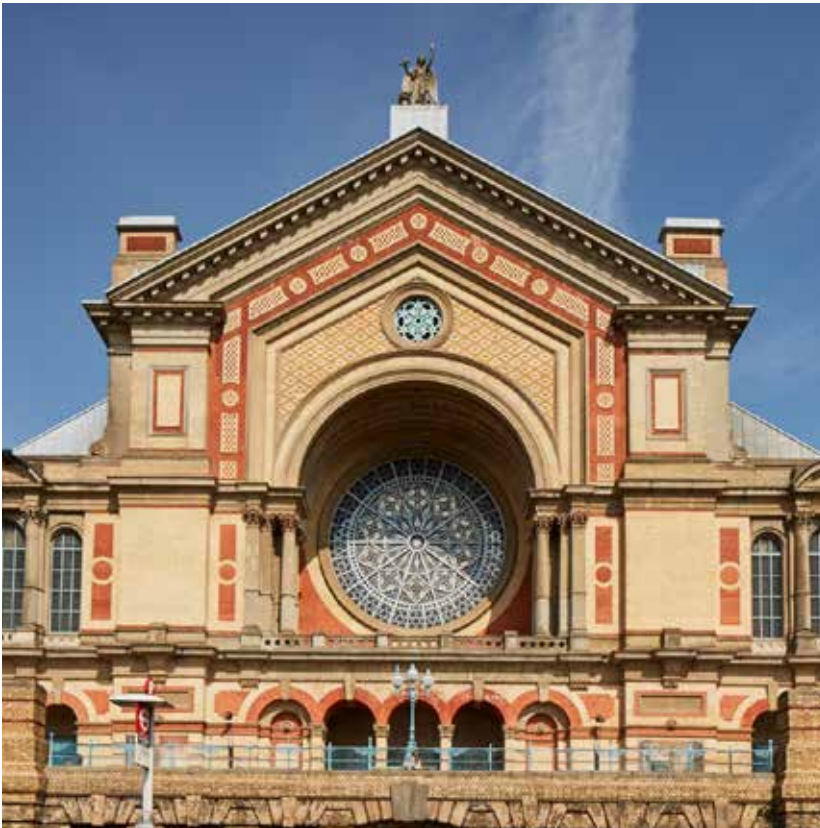
As part of that solid foundation, we need a clear, long-term plan for managing our charitable assets and our organisation. So we will start work on a long-term strategic vision for the Park and Palace to provide clear direction, and a framework for future development and investment.

Over the years there have been many ideas put forward for the Park and Palace. Putting in place a strategic vision and framework will allow us to better assess these ideas, and others we have in the future. One of the first plans we will test, for example, is the potential development of a hotel on the site. Our vision will also inform the creation of a 10-year strategy, and a long-term financial plan for the trust itself.

The trust will also review its governance this year, to ensure it remains fit for purpose; has the skills, capabilities and processes in place to undertake its duties effectively; and retains the confidence of the corporate trustee.

In the last quarter of 2015/16 we took the opportunity to revise our strategic priorities. These revised priorities have provided the context for our new business plan. If we implement the plan successfully, this will strengthen our organisational infrastructure – including finance, HR and IT – to better support the executive team and to continue to grow the commercial activities that support the trust's charitable purposes.

Our growth in the last few years has exposed some weaknesses in our offering to the public, who are also our beneficiaries. So we will focus on improving the quality of our products: these will include new offerings such as Go Ape! and an expanded number of our own created events. We also aim to raise our level of customer service, to improve our customer and client experience.



“In 2016/17, we have the chance to consolidate on this success and build a solid foundation for the future.”

Our programme of maintenance and repair of the Park and Palace will continue within the limits of available resources. Much of our investment in the building in the last few years has not necessarily been evident to the public, as it has mainly gone toward structural repairs and waterproofing. In 2016/17 there will be more visible repairs such as the decor in the Great Hall, and conservation of the WWII bunker room in the basements in readiness for the September Open House tours. Meanwhile, the East Wing restoration project, which will bring the most historically significant parts of the Palace out of dereliction and back into public use, will enter its main construction phase.

This project, which is funded by the Heritage Lottery Fund, Haringey Council and ourselves, is a visible and tangible demonstration of the trust's work. The year to come will be important as we prepare ourselves for the opening of the East Wing in 2018, testing our planning assumptions and starting to build interest among media, industry and consumers.

The appetite for our learning and community engagement programme is growing and we will strive to fulfil the demand for its activities. However we recognise the need to raise our game on communications and fundraising: in particular, a more robust evidence base – to better explain and improve people's understanding of what we do, our value as a trust, and the value of the charitable assets – is essential to this.

While financial resources remain a barrier in realising the potential of the Park and Palace, the trust is fortunate to have a skilled and talented executive team, a dedicated Trust Board, and a strong cohort of volunteer groups and individuals who are passionate about the Park and Palace. This dedication has helped us achieve a great deal of success in previous years, and I am confident that it will prove invaluable in achieving our goals in 2016/17.

A handwritten signature in black ink, reading 'Louise Stewart'.

Louise Stewart
Chief Executive Alexandra Palace

CHARITABLE TRUST

Our charitable purpose

We have a clear vision: to regenerate the charitable assets that have been entrusted to us, in the pioneering spirit of our Victorian founders.

As part of this vision, we want to create a proud and iconic London destination with global appeal – as a successful, valuable and sustainable asset for all, including our local community and stakeholders.

Our aims for the Palace are also our legal purpose. They are, as defined under the Alexandra Park and Palace Act 1985, to:

“uphold, maintain and repair the Palace and to maintain the Park and Palace as a place of public resort and recreation and for other public purposes.”

Our organisation consists of two elements. Alexandra Park and Palace Charitable Trust is responsible for our charitable activities, including maintaining, restoring and repairing the Park and Palace (our charitable assets) and delivering learning and community programmes.

We also have a wholly owned trading subsidiary, Alexandra Palace Trading Ltd, which donates its taxable profit to the trust in the form of Gift Aid.

Strategic Priorities

In our 2015/16 Annual Review, we set out a list of 19 “strategic priorities” grouped broadly according to the activities we outline below. Although many of these 19 priorities were met, we did not use them for formal strategic planning across the organisation. It is recognised that we needed to improve this approach to strategic planning. In the latter part of 2015/16, we revised our strategies for meeting our charitable aims and will report against these aims in the 2017 annual review.

The new strategic priorities are:

- To maintain and develop the Park and Palace as a leisure, cultural, and entertainment destination
- To achieve long-term financial sustainability for the charitable assets whilst respecting the historic and natural environment
- To bring derelict parts of the Palace back into use and allow safe access to them in the meantime for engagement and educational purposes
- To improve awareness and understanding of the trust, its assets and activities
- To deliver quality customer and visitor experiences across all areas

To achieve more effective reporting, we have created a formal performance measurement framework for future reporting periods. For the greater part of this reporting period, however, these strategies were not yet in place.

Our activities

Our main activities as an organisation are:

Maintaining the Park

Maintaining our 196 acres of Grade II listed parkland is central to our purpose.

Engaging our beneficiaries

The Palace's learning and community programme engages local people with the history and heritage of the Park and Palace – through workshops for schools, activities for families, and partnership projects.

Restoring the Palace

Maintaining the Palace is similarly central to our purpose. We have a Fabric Management Plan.

East Wing restoration project

The restoration of the East Wing, which will bring significant derelict parts of the Palace back into use, is being funded by an £18.8m grant from the Heritage Lottery Fund, and supported by £6.8m in matched funding from Haringey Council.

Fundraising

In 2015/16 we launched a £1m appeal to help us restore the East Wing of the Palace. Support from the public will be vital to help ensure success of the restoration project.

Trading activity

Our wholly owned subsidiary, Alexandra Palace Trading Ltd, gives its taxable profit to the trust in the form of Gift Aid. These activities are consistent with the charitable purposes, providing entertainment and recreational opportunities.

In the pages to come, we describe each of these activities in detail and set out specific achievements that have led to:

- The Park and Palace being made available for the public to enjoy 365 days a year
 - 3.5m people who have benefited directly from the Park and Palace in 2015/16
 - £1.78m of investment in the improvement, repair and maintenance of the Park and Palace in 2015/16
 - The equivalent of 403 separate event days delivered to proactively encourage the public to use the Park and Palace
-



“It is part of our mission to maintain the Park for “public resort and recreation” and other public purposes.”

ALEXANDRA PARK

Maintaining the Park

Our 196 acres of Grade II listed parkland remain an outstanding feature of Alexandra Park and Palace. It is part of our mission to maintain the Park for “public resort and recreation” and other public purposes.

In 2015/16 we pursued the following goals:

Develop the Park as a leisure destination

2.8 million people visited the Park in 2015/16, with thousands attending high-profile events such as our Fireworks Festival and Summer Festival. For more about our events programme, see the section on trading activities.

Improve Park quality and access

We continued to seek to improve the Park for visitors. This year, for example, a wet winter meant we needed to find ways to guide surface water, to avoid both erosion and water flowing on footpaths.

A key indicator of our success in maintaining Park quality is our Green Flag Award, which we were awarded in 2015/16 for the eighth year in a row. We won a Green Heritage Award for the sixth year.

Contribute to the trust’s financial sustainability

As well as hosting commercial events in the Park, we seek to

achieve value for money as we maintain and repair it. We invested around £400,000 this year on our grounds maintenance contract and development and repairs.

This year we awarded a four-year contract to John O’Conner (Grounds Maintenance) Ltd, following eight successful years looking after our Park. Our new contract will increase the amount of partnership work, working with us on goals such as winning a Green Flag award and working with organisations, colleges and voluntary groups. In 2015/16 volunteers contributed about 1,500 hours to the Park; running the park information centre, organising Park work parties and



leading walks. Without this help, much of our work would not be possible.

Be a resource for education and enjoyment

A priority for 2015/16 was to widen our learning and communities programme to include the Park. For six days during Easter, for example, we piloted the Xplorer programme, a family-friendly map-reading challenge in which 147 children took part.

As in previous years, the Friends of the Park arranged a volunteer-run series of walks and talks in the Park, covering subjects from wildlife to trees to the Park's 150 year history.

Plan the future of the Park

For 2015/16 we planned to create a "Park vision" to guide the management of the Park over the next 10–15 years. Although we did not ultimately create this vision, we undertook a useful consultation.

Information from the work will feed into our overall strategic vision for both Park and Palace, which we start work on in 2016/17.

Key Achievements

Green Flag Award
– for eighth consecutive year

Green Heritage Award
– for sixth consecutive year

Commendation in "Bees Needs" award for providing food and homes for pollinators

New grounds maintenance contract with "added value" provisions

Planning permission granted for a Go Ape! Junior high-ropes course within the Park

1,500 volunteer hours contributed to the Park

Engaging our beneficiaries

The Palace's learning and community programme engages local people with the history and heritage of Alexandra Park and Palace – through workshops for schools, activities for families, and partnership projects.

This programme contributes to the trust's wider aims of respecting the heritage of the Palace, using it as a resource for learning and enjoyment, while delivering wider benefit through contributions to public health, wellbeing, the environment and the economy.

Learning and workshops

This year we met our 2015/16

priority of increasing the number and age range of pupils visiting the Palace on school workshops.

Some 1,651 pupils visited the Palace this year, as part of 31 visits from schools – up from approximately 1,280 last year.

While visits to the Park and Palace are still mainly from primary schools, classes now range from reception to Year 6.

Again as a 2015/16 priority, we widened our learning programme to include the Park. Self-led activities included a series of activity and wildlife trails in the Park, and we piloted the Xplorer programme, a map-reading

challenge for families.

Families and events

We developed and delivered an extensive programme for families, linked to the history and heritage of the Palace.

Our "War on the Home Front" exhibition, telling the little known story of the Park and Palace as a refugee and enemy internee camp, continued into 2015/16. A total of 5,411 people visited the exhibition, which was funded by the Heritage Lottery Fund.

As part of our Summer Festival in July, families made model boats and sailed them on the



HISTORY TOUR 2015 - PALM COURT

“Since September 2013, volunteers have given the organisation more than 6,290 hours of their time.”

“Some 1,651 pupils visited the Palace this year, as part of 31 visits from schools.”

**ALLY PALLY
SUMMER FESTIVAL 2015**



fountain in the Rose Garden – which was originally built by German internees during the First World War.

Other events included tours of the building in March and July, with 600 people attending over both weekends.

As a 2015/16 priority, we had planned to develop and pilot an English for Speakers of Other Languages (ESOL) programme to engage local residents who are not native English speakers, but due to limited resources no progress was made on this objective in 2015/16.

Partnerships

We also pursued our 2015/16 priority of developing partnership

opportunities with local organisations, in order to deliver engaging and innovative activities and performances.

For example, in May 2015, we partnered with Haringey Shed, an inclusive theatre company for children and young people aged 7–16, to create a theatrical response to the Palace’s story. The project concluded with two successful promenade performances in the Great Hall and Victorian Theatre for more than 100 visitors, families and friends.

Students from Middlesex University, meanwhile, produced a short film and app using diaries, letters and poems written by the German internees.

Volunteers

Volunteering remains vitally important to Alexandra Park and Palace: since September 2013, volunteers have given the organisation more than 6,290 hours of their time. We have 51 active volunteers, working with us in a wide variety of roles including; education design and delivery, community engagement and development, Park maintenance, archiving, fundraising, volunteer management, history tours delivery and exhibition manning.

We met our 2015/16 priority of increasing the number of volunteer opportunities across the Park and Palace, by creating a new series of volunteer-run park walks and involving volunteers in new research projects.

Key Achievements

We repaired the roof of the West Corridor, Great Hall and Service Yard buildings

We conducted urgent glazing repairs to the Palm Court

We repaired rotten timber and redecorated timber doors and windows

We cleaned fabric canopies, walkways and roof space in the Great Hall



GLASS ROOF PALM COURT

Restoring the Palace

With 40% of the Palace standing derelict before the start of the East Wing restoration, maintaining and repairing the fabric of the historic Palace is a continuing challenge.

To help us meet this challenge, we have a detailed Fabric Maintenance Plan (FMP) in place. It was a priority for 2015/16 to implement its recommendations within the available budget.

Our primary focus, as outlined in the plan, is to ensure the external “envelope” of the Palace is weather-tight and safe to access – in order to minimise deterioration, avoid unnecessary expense, and limit any negative effects on event operations and the public.

The total cost of implementing this plan over a ten year period is in the region of £15m. This is a major commitment – and is one reason

why we are keen to implement a long-term fundraising strategy to help us maintain the Palace.

We commissioned roof repairs and investigations to the West Corridor, Great Hall and Service Yard buildings. The repairs included urgent glazing repairs to the Palm Court, using abseil access – a procedure filmed for ‘Rope Men’ on ITV.

We commissioned extensive repairs to timber doors and windows, along with external redecoration, in the Palm Court, Londesborough Room and Bar & Kitchen. The goal was to maintain and enhance event entrances.

We undertook the cleaning of fabric canopies, walkways and roof space in the Great Hall. This important work – to remove years of dust and debris accumulation,

reduce potential fire risk and improve cleanliness to the main hall – was also achieved using abseil access.

Other achievements included painting the floor in the West Hall; introducing new LED lighting in the Great Hall; converting a gas meter building and installing a new meter and gas main; and installing a new fire alarm system in the Palm Court.

We also conducted essential work not originally planned for 2015/16, including repairing urgent leaks to the Ice Rink Roof.

Finally, we brought a building maintenance team in-house from a contract provider – a step which we hope will reduce costs and improve performance in future years.

East Wing restoration project

This year, the first phase of construction has begun on the restoration of the East Wing of Alexandra Palace, the most significant restoration project at Alexandra Palace for 30 years.

The project, which is funded by an £18.8m grant from the Heritage Lottery Fund and supported by £6.8m in match funding from Haringey Council will:

Restore the Victorian theatre.

The Victorian theatre at Alexandra Palace, opened in 1875, once hosted audiences of up to 2,500 people – but more than 80 years have passed since it was last used regularly. The project will restore it to its former glory – creating an adaptable space for audiences of up to 1,300 people, while ensuring it retains the look and feel of a “found space”. Modern technical facilities will enable us to host a range of events including theatre, live music, cinema and private gatherings.

Bring back to life the former BBC studios.

The BBC studios at Alexandra Palace are the birthplace of public broadcast television.

We plan to restore the studio buildings and turn them into an interactive visitor attraction – drawing on the BBC’s rich archives to tell the remarkable story of popular entertainment at the Palace. The attraction will give all ages the chance to learn, participate and be entertained as they discover the Palace’s rich history.

Turn the East Court into a welcoming arrival space.

The BBC studios and Victorian theatre will be connected by the glazed East Court – which, when restored, will be an entrance hall to welcome and serve the needs of visitors. Overall, we anticipate that the restoration

work will bring a broader national and international audience to the Palace, helping us fulfil our charitable mission to maintain it as a “place of public resort and recreation and for other public purposes”.

In December 2015 we appointed a contractor, Willmott Dixons Holdings Ltd, for the “Enabling Works” stage of the project, which involves vital background work such as removing or sealing in asbestos and stripping out ceilings and floors.

These works, which were a 2015/16 priority, started on site at the end of January 2016.

Our second priority was to ensure completion of the technical design (RIBA Stage 4) for the project, to ensure quality, buildability, value, conservation and maximum benefit. This work is almost ready and is due for completion in 2016.



Fundraising

Fundraising plays an increasingly important role at Alexandra Park and Palace. With a new Director of Fundraising in position, we have started the process of reinvigorating our approach to fundraising – in order to improve awareness and understanding of our charitable purpose, and to make clear our need for funding, to meet our aims.

During 2015/16, our main fundraising objective was to raise £1m toward the restoration of the East Wing of the Palace. Support from the wider public is vital to this project's success. We launched our public appeal at our Summer Festival in July 2015; during the

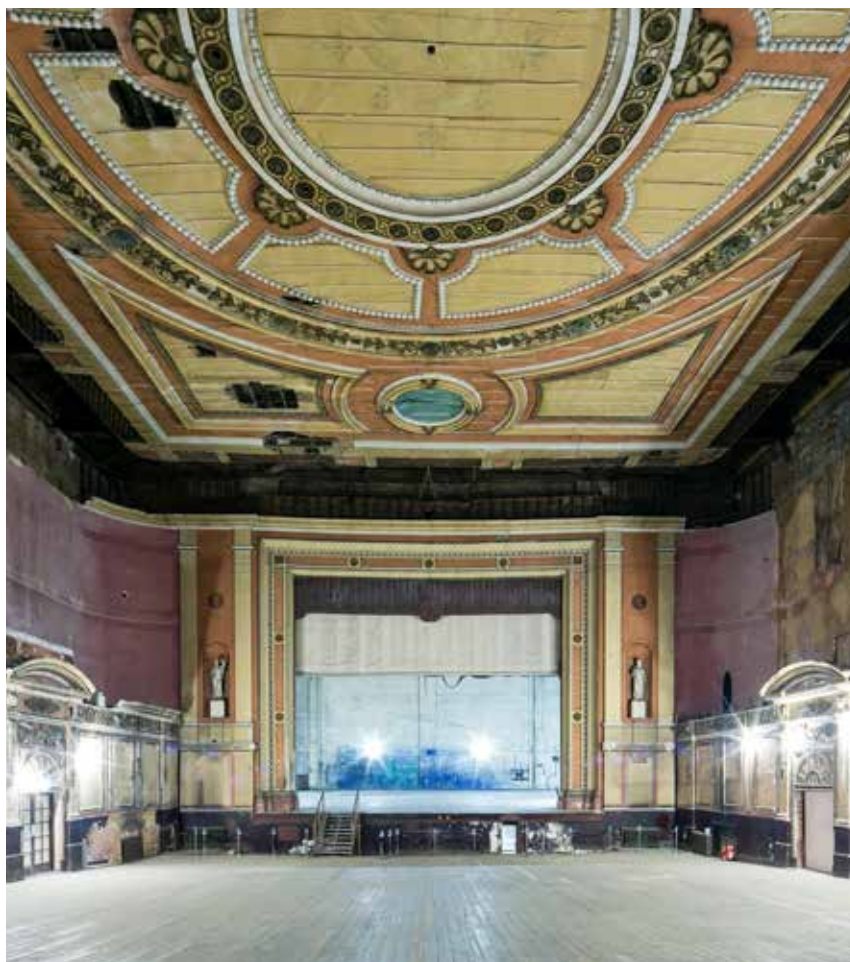
financial year, we raised just under £100,000 towards the target. Our initial activities made us realise it was unlikely that we would achieve this ambitious target during the reporting period, and we have revised our target to 2017/18, coinciding with the scheduled end of the East Wing restoration project.

In addition to the East Wing fundraising target there is a need to raise funds to support the wider maintenance and repair of the Park and Palace to meet our charitable purposes and make the assets available for the public today and into the future. Part of our fundraising plan is to place more focus on the impact

donations will have.

We recognise the need to follow best practice in our fundraising activity and the way in which we manage donor information.

“Fundraising plays an increasingly important role at Alexandra Park and Palace.”



Key Achievements

We created a new role of fundraising director

We launched our £1m appeal for the East Court restoration, and raised nearly £100,000 toward the total

**ALEXANDRA PALACE
VICTORIAN THEATRE**



Part of our fundraising plan is to place more focus on the impact donations will have. The impacts we anticipate include:

- Re-establishing Alexandra Park and Palace at the heart of its community providing social and health benefits through the provision of recreational opportunities
- Creating thousands of opportunities for people, especially young people, to learn, participate and explore their local history, heritage and natural environment
- Creating new jobs and a thriving visitor attraction, which in turn enables us to invest more in free events, arts and learning programmes
- Generating economic impact in the surrounding area from our activities and the additional spending of the visitors we attract
- Restore an iconic London landmark, currently 40% derelict, back into use
- Enabling people to learn about the birthplace and development of television, in the place where it happened
- Opening up one of the UK's lost historic theatre spaces

Our major funders so far – in addition to the Heritage Lottery Fund and Haringey Council – include the American Express Foundation and the J Paul Getty Jr Charitable Trust. We thank all of our donors, large or small, for their support.

TRADING ACTIVITY

It is critical for us to increase the profits of our Trading subsidiary, which are in turn reinvested back into the trust to help meet our charitable purposes.

We are pleased to report that 2015/16 was one of the best trading years to date. We achieved the highest ever gift aid amount of £1.3m, which will support charitable activities of the trust.

Events and catering

Events play a vital role in our trading activities. This year we hosted 180 events – from sport to music, exhibitions to outdoor events – attended by more than 720,000 customers, including 264,000 music fans. Across nine available event spaces, we delivered the equivalent of 485 days' tenancy and 403 event open days (at times we operate more than one event on any given day).

A priority in 2015/16 was to liaise with Haringey Council, the licensing authority, to increase event capacity. We applied successfully for a variation to our licence, which meant we could expand established events such as World Championship Darts, Masters Snooker and Championship Ping Pong. As a result, we increased ticket sales – contributing to a total £2m in revenue from sport.

We also aimed to maximise event revenue and enhance the customer experience. For example, at major live music events – which included Florence and the Machine, Ben Howard, Faithless and the Prodigy – we continued to develop the “Festival Village” in the West Hall to provide gig-goers somewhere to eat, drink and relax before and after events. This helped us achieve impressive food and drinks sales in 2015/16;

meanwhile the Bar and Kitchen also exceeded targets.

We developed Alexandra Palace's own-brand events programme – delivering eight events including the Summer Festival, German Bier Festival, Springfest and Fireworks Festival. The 2015 Fireworks Festival was the largest to date since its return in 2013, with all 50,000 tickets sold in advance. Own-brand events accounted for 5% of gross event profit.

In our exhibition spaces, we welcomed five new shows including The Sports and Classic Car Show, OM Yoga Show and Legends of Gaming.

We continued to build strong relationships with third parties, such as our ticketing partner, SEE Tickets and ensured the successful rollout of our updated Venue Management Plan, which sets out how to operate in alert or emergency scenarios. We also worked on introducing a new customer relationship management (CRM) system, now scheduled for 2016/17, in an effort to increase future sales.

Ice rink

We celebrated the 25th anniversary of the Alexandra Palace ice rink this year – a priority for 2015/16 – with a performance at the Summer Festival from skaters throughout the rink's history.

Skating revenue and profit both increased this year. The introduction of online ticket sales – as part of our 2015/16 priorities to update online booking systems to improve customer service – helped support this; online sales now account for 30% of ice rink sales. New initiatives such as Club de Fromage on Ice, a monthly retro disco night, also improved the offer.

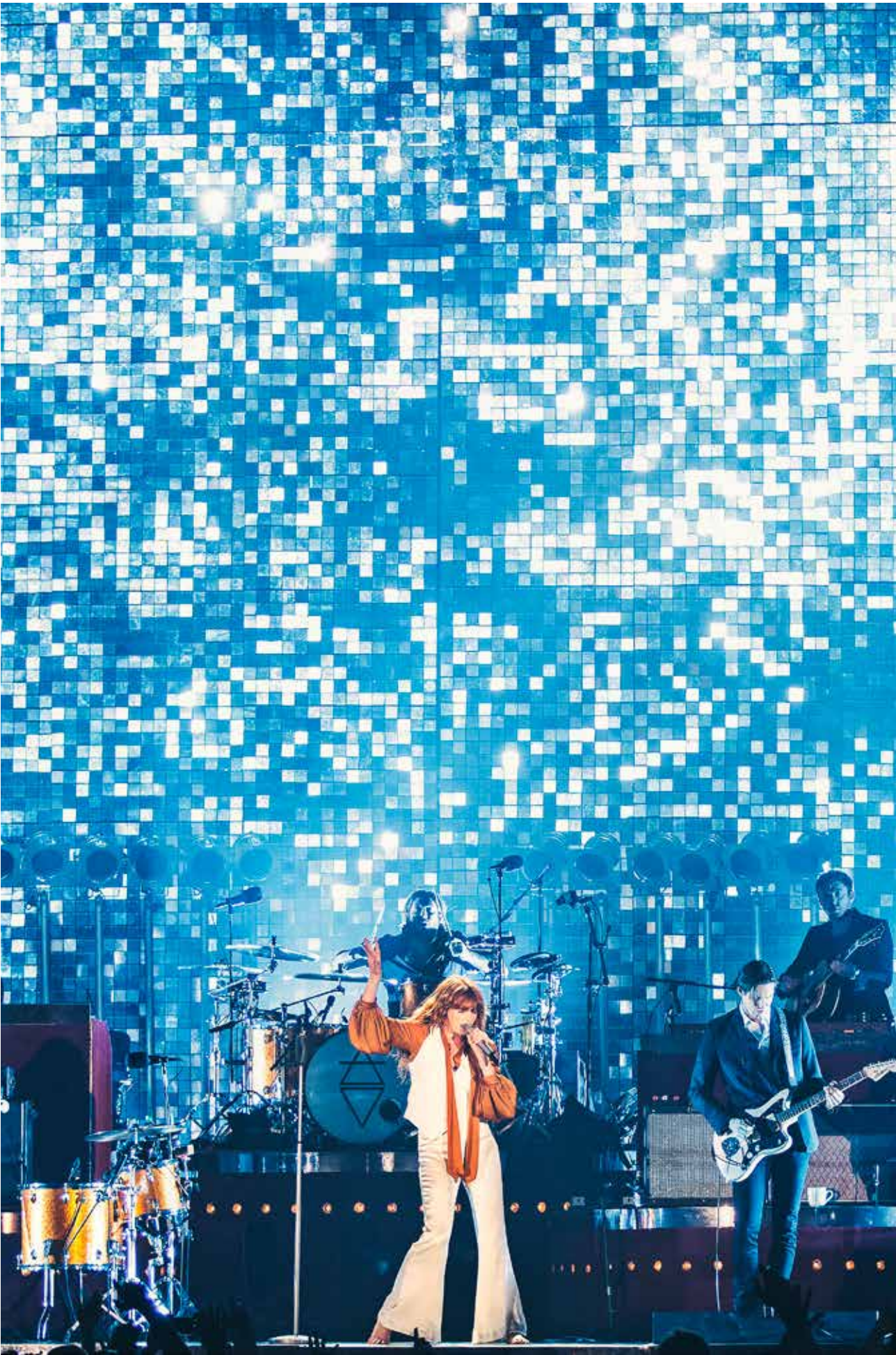


Marketing and publicity

As a 2015/16 priority, we aimed to achieve publicity for our events and for the Palace as a whole. This year, for example, we achieved national coverage of the announcement of our successful bid for Heritage Lottery Funding.

Sporting events also achieved record television viewing figures: the Red Bull Soapbox Race, for example, achieved 900,000 viewers – 30% more than in previous years.

“We are pleased to report that 2015/16 was one of the best trading years to date.”



FLORENCE & THE MACHINE 2015

THE YEAR IN NUMBERS



£1.78m

Spent on repairs
and maintenance
of the Palace



4

Park excellence
awards given to
Alexandra Park



6,291

Hours given by
our 51 active
volunteers



5,411

Visitors to our
centenary
exhibition



1,651

Local school
pupils visited
the Palace



1,200

Visitors
attended tours
of the building



120,000

People attended
Alexandra Palace
created events



403*

Event open
days throughout
2015/16



£1.2m

Bar & Kitchen
revenue up
21% on last year

*at times we operate more than one event on any given day.

FINANCIAL OVERVIEW

2015/16 was a successful year for the trust, as we continue to work toward our long-term goal of financial self-sufficiency.

Unrestricted funds

In terms of unrestricted funds, our main sources of funding are similar to previous years. We receive funding for our charitable activities from:

- our corporate trustee, Haringey Council. As of 2015/16, the trust agreed with Haringey Council to change the terms of the council's support from a financing arrangement to a grant arrangement
- our wholly owned trading subsidiary, Alexandra Palace Trading Ltd, which donates profits to the trust in the form of Gift Aid. The trust and the trading company are together known as "the group".

We are pleased to report that the group's accumulated unrestricted funds reached a total of £3.7m (2015: £2.3m) at 31 March 2016. This marks a positive change in the financial position of the group, and reflects its sound management of financial resources.

Supporting this achievement, the trading subsidiary had its most successful year ever, measured by the number of events held in the Park and Palace, the number of customers, and its financial results. Its turnover increased to £12.7m (2015: £9.3m), an increase of 36% on 2015, and it achieved its highest ever gift aid amount of £1,300,000 (2015: £940,000).

During the year, the group decided to reinvest some of these profits back into the trading company, in order to carry out maintenance and repairs works in the income

generating spaces, invest in technology, and to invest in human resources to ensure we continue to improve our financial position and reputation.

In 2015 new guidance by the Institute of Chartered Accountants in England and Wales (ICAEW) clarified that gift aid payments from subsidiaries to charities should be considered to be distributions under company law. This means that some gift aid payments from APTL to the trust in past years have been made from non-distributable reserves.

The Trust and its subsidiary have considered various options to rectify the situation and have taken a decision to recognise the liability from the Trust to its subsidiary to repay historic overpayments which are estimated at £868,000. As a result of this adjustment the trading company's reserves are showing a healthy position of £571,000 which will enable the group to transfer an annual gift aid payment without any restrictions. The cash resources of both entities remain unchanged.

The consolidated cash flow of the group looks healthy, with £2.5m of funds readily available to support daily activities for the foreseeable future.

Reserves Policy

The funds generated by the organisation are available, at the discretion of the Trustees (appointed representatives of Haringey Council, the Corporate Trustee), to further the general objectives of the Trust.

Furthermore, the Trustees have the objective of establishing unrestricted reserves sufficient to cover the

“2015/16 was a successful year for the trust, as we continue to work toward our long-term goal of financial self-sufficiency.”

Park and Palace's running costs and staff costs for a 6 month period in case of a significant decrease in funding or a downturn of the Charity's own fund generating activities, whether directly undertaken by the Trust or by its trading subsidiary.

The Park and Palace's running and staff costs for a 6 month period equates to approximately £2m. This amount includes non-cancellable commitments and these commitments will determine a true minimum level of unrestricted reserves needed by the Trust.

The Trustees are mindful of the possible impact of the current East Wing regeneration project on income generation and the potential need to permit the use of unrestricted reserves to support the Project on a temporary basis. The project will conclude in 2018.

The Trustees will aim to build designated reserves to support any expenditure of a capital nature as necessary for the maintenance of the Palace outside the restoration project.

The actual consolidated unrestricted reserves at the 2016 year end amounted to £3.7m (2015:£2.3m)

Restricted funds

In June 2015 the Heritage Lottery Board gave its approval to progress to full construction works on the restoration of the East Wing of the Palace – a project scheduled to be completed in spring 2018.

The project is funded from:

- a Heritage Lottery Fund grant (£18.85m)
- a grant from our corporate trustee, Haringey Council (£6.8m)
- our own resources
- our fundraising campaign, which has set a target of £1m by the end of 2017/18.

Funding and expenditure for the project is reflected as "Restricted Funds" in the Consolidated Statement of Financial Activities prepared in accordance with the new Statement of Recommended Practice for Charities (SORP 2015), which require a charitable organisation to recognise income when the organisation has a legal right to receive the income, its receipt is probable and the amount is measured reliably.

In accordance with this requirement, £26m is recognised as the income from restricted grants and donations – although in 2015/16 only £2m was actually received and expended, with a balance of funding of £24m recognised as Monies Due (debtors).

Approved and authorised for issue by the Trust on 31st August 2016 and signed on its behalf by:



Joanna Christophides

Chair of the Board of Trustees

Alexandra Park and Palace is a registered charity in England and Wales (no 281991) with its principal office at Alexandra Palace, Alexandra Palace Way, London N22 7AY. **Auditor:** Deloitte LLP, Chartered Accountants and Statutory Auditor, 2 New Street Square, London, EC4A 3BZ. **Bankers:** Royal Bank of Scotland plc, 280 Bishopsgate, London, EC2M 4RB. Barclays Bank plc, 1 Churchill Place, Canary Wharf, London, E14 5HP. **Solicitors:** Bates Wells & Braithwaite, 2–6 Cavendish Street, London, EC4M 6YH.

Alexandra Park and Palace Charitable Trust

Independent auditor's report to the Trustee of Alexandra Park and Palace Charitable Trust

We have audited the financial statements of Alexandra Park and Palace Charitable Trust for the year ended 31 March 2016 which comprise the Consolidated and Trust Statements of Financial Activities, the Consolidated and Trust Balance Sheets, the Consolidated Cash Flow Statement and the related notes 1 to 28. 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the charity's trustee, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustee 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 charity and the charity's trustee as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the Trustee and the auditor

As explained more fully in the Statement of Trustee's Responsibilities, the trustee is responsible

for the preparation of the financial statements which give a true and fair view.

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. 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 group's and the parent charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustee; 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 and to identify any information that

Alexandra Park and Palace Charitable Trust

Independent auditor's report to the Trustee of Alexandra Park and Palace Charitable Trust (continued)

is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

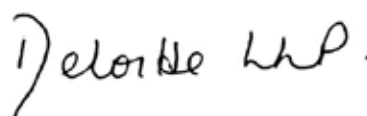
In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent charity's affairs as at 31 March 2016, and of the group's incoming resources and application of resources, 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 Charities Act 2011 and The Alexandra Park and Palace (Public Purposes) Act 1900.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustee's Annual Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept by the parent charity; or
- the parent charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.



Deloitte LLP

Chartered Accountants and Statutory Auditor
London, United Kingdom

6th September 2016

Deloitte LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006 and consequently to act as the auditor of a registered charity.

Alexandra Park and Palace Charitable Trust

Consolidated statement of financial activities for the year ended 31 March 2016

	Notes	Unrestricted funds £'000	Restricted funds £'000	Total 2016 £'000	Unrestricted funds restated £'000	Restricted funds restated £'000	Total 2015 restated £'000
Income from:							
Donations and Grants	3	1,889	26,086	27,975	-	543	543
Charitable activities	5	247	-	247	276	-	276
Other trading activities	4	12,708	-	12,708	9,283	-	9,283
Investments	6	5	-	5	5	-	5
Other	20,26	-	-	-	51,032	-	51,032
Total income		14,849	26,086	40,935	60,596	543	61,139
Total expenditure							
Raising funds		11,048	-	11,048	8,113	-	8,113
Charitable activities		3,362	1,069	4,431	4,094	691	4,785
Total expenditure	7,8	14,410	1,069	15,479	12,207	691	12,898
Net income for the year		439	25,017	25,456	48,389	(148)	48,241
Transfers between funds	21	739	(739)	-	493	(493)	-
Other recognised gains							
Actuarial gain on pension scheme	25	157	-	157	17	-	17
Net movement in funds		1,335	24,278	25,613	48,899	(641)	48,258
Reconciliation of funds							
Total funds brought forward		2,329	83	2,412	(46,570)	724	(45,846)
Net movement of funds for the year		1,335	24,278	25,613	48,899	(641)	48,258
Closing fund balance as at 31 March	23	3,664	24,361	28,025	2,329	83	2,412

The 2014/15 Statement of Financial Activities has been restated on implementation of FRS102. Please see note 1.

The notes on pages 36 to 53 form an integral part of these financial statements. All of the above amounts are derived from continuing activities.

Alexandra Park and Palace Charitable Trust

Trust statement of financial activities for the year ended 31 March 2016

	Notes	Unrestricted funds £'000	Restricted funds £'000	Total 2016 £'000	Unrestricted funds restated £'000	Restricted funds restated £'000	Total 2015 restated £'000
Income from:							
Donations and Grants	3	1,889	26,086	27,975	-	543	543
Charitable activities	5	247	-	247	276	-	276
Investments	6	622	-	622	1,130	-	1,130
Other	20, 26	-	-	-	51,032	-	51,032
Total income		2,758	26,086	28,844	52,438	543	52,981
Total expenditure							
Raising funds		80	-	80	-	-	-
Charitable activities		3,362	1,069	4,431	4,076	691	4,767
Total expenditure	7, 8	3,442	1,069	4,511	4,076	691	4,767
Net (expenditure)/income for the year		(684)	25,017	24,333	48,362	(148)	48,214
Transfers	21	739	(739)	-	493	(493)	-
Net movement in funds		55	24,278	24,333	48,855	(641)	48,214
Reconciliation of funds							
Total funds brought forward		3,038	83	3,121	(45,817)	724	(45,093)
Net movement of funds for the year		55	24,278	24,333	48,855	(641)	48,214
Net movement in funds for the year	23	3,093	24,361	27,454	3,038	83	3,121

The 2014/15 Statement of Financial Activities has been restated on implementation of FRS102. Please see note 1.

The notes on pages 36 to 53 form an integral part of these financial statements. All of the above amounts are derived from continuing activities.

There were no other recognised gains or losses in either year except for those dealt with above.

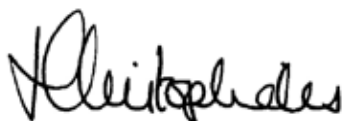
Alexandra Park and Palace Charitable Trust

Consolidated and trust balance sheets as at 31 March 2016

	Notes	Group 2016 £'000	Group 2015 restated £'000	Trust 2016 £'000	Trust 2015 restated £'000
Fixed assets:					
Tangible assets	12	680	451	65	82
Heritage assets	13	4,689	4,260	4,689	4,260
Investments	14	-	-	-	-
		5,369	4,711	4,754	4,342
Current assets					
Stocks	15	100	106	-	-
Debtors: due within one year	16	26,104	1,548	26,051	1,163
Cash at bank and in hand		2,548	2,039	326	-
		28,752	3,693	26,377	1,163
Creditors: amounts falling due within one year	17	(4,121)	(3,980)	(2,023)	(896)
Net current assets/(liabilities)		24,631	(287)	24,354	267
Total assets less current liabilities		30,000	4,424	29,108	4,609
Creditors: amounts falling due after more than one year	18	(1,654)	(1,509)	(1,654)	(1,488)
Net assets excluding pension scheme liability		28,346	2,915	27,454	3,121
Defined benefit pension scheme liability	25	(321)	(503)	-	-
Net assets including pension scheme liability		28,025	2,412	27,454	3,121
Accumulated funds:					
Unrestricted funds		1,228	464	336	670
Designated capital funds		2,757	2,368	2,757	2,368
Pension deficit funds		(321)	(503)	-	-
Unrestricted funds	21	3,664	2,329	3,093	3,038
Restricted funds	22	24,361	83	24,361	83
Total funds	23	28,025	2,412	27,454	3,121

The 2015 Balance Sheets have been restated on implementation of FRS102. Please see note 1.

Approved by the Board of Trustees on 31st August 2016 and signed on its behalf by:



Councillor Joanna Christophides

The notes on pages 36 to 53 form an integral part of these financial statements.

Alexandra Park and Palace Charitable Trust

Consolidated cash flow statement for the year ended 31 March 2016

	Group 2016 £'000	Group 2015 restated £'000
Net cash provided by operating activities	See note below*	1,686
Cash flows from investing activities		
Interest received	5	5
Purchase of property, plant and equipment	(1,122)	(747)
Net cash used in investing activities	(1,117)	(742)
Cash flows from financing activities		
Loan repayments	-	(213)
Net increase in cash and cash equivalents	569	429
Cash and cash equivalents at beginning of year	1,979	1,550
Cash and cash equivalents at end of year	2,548	1,979
Reconciliation of cash and cash equivalents:		
Cash at bank and in hand	2,548	2,039
Overdraft	-	(60)
Cash and cash equivalents	2,548	1,979

*Note to the consolidated cash flow statement

	Group 2016 £'000	Group 2015 restated £'000
Reconciliation of net income to net cash flows from operating activities		
Net income	25,456	48,241
Depreciation	464	449
Charges less than pension contributions	35	89
Interest receivable	(5)	(5)
Decrease in stocks	6	2
(Increase)/decrease in debtors	(24,556)	549
Increase in creditors	286	806
Decrease in provisions	-	(48,747)
Net cash provided by operating activities	1,686	1,384

Alexandra Park and Palace Charitable Trust

Notes to the financial statements for the year ended 2016

1. Basis of accounting

Alexandra Park and Palace, a public benefit entity, is a charity registered with the Charity Commission in 1981. The Charities Order 2004 gave the Trustees power to lease the whole or part of the Palace, subject to the consent of the Charity Commission, without changing the purposes for which the Park and Palace are held. The charity's wholly-owned subsidiary, Alexandra Palace Trading Limited, operates under licence on the charity's premises. Profits generated from its commercial activities are gift-aided to the Trust to aid a delivery of its charitable objectives. There are currently four Trustees who are also directors of the Trading Company.

Basis of accounting

The financial statements have been prepared under the historical cost convention (with the exception of pension assets which are held at fair value) and have been prepared in accordance with the Statement of Recommended Practice Accounting and Reporting by Charities (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102), effective 1 January 2015, UK Generally Accepted Accounting Practice and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Trust meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemption in relation to presentation of a cash flow statement in respect of its separate financial statements, which are presented alongside the consolidated financial statements.

The Trust is a Public Benefit Entity under FRS 102.

FRS 102

This is the first year in which the accounts are presented under FRS 102. The transition date was 1 April 2014. The comparatives for pensions in note 25 have been restated in line with FRS 102 in order to provide appropriate comparatives to the current year disclosures. However, the accounting entries in the Statement of Financial Activities have not been restated on the basis of materiality. There is no overall impact on the balance sheet valuation of the liability.

Governance costs, which were previously shown separately on the face of the Statement of Financial Activities (SOFA), are now included within support costs. The SOFA and expenditure notes have been restated accordingly.

A liability for deficit contributions to the multi-employer pension scheme has been recognised within accruals. No prior period adjustment has been made on the basis of materiality.

The Park and Palace and associated improvements have been reclassified

as heritage assets from tangible fixed assets.

There have been no other adjustments relating to other requirements of FRS 102.

Preparation of financial statements – going concern basis

Alexandra Park and Palace Charitable Trust is a going concern due to the ongoing financial support of the corporate trustee, London Borough of Haringey. It is the Council's current policy to continue to provide funding to the Alexandra Park and Palace Charitable Trust until such time as the support of the Council is no longer required. The Council has confirmed in writing that it has considered and approved within its budgets funding, including grants, for the Trust for a period of not less than twelve months from the date of signing the accounts.

2. Accounting policies

Basis of consolidation

The consolidated financial statements comprise those of the Trust and its wholly-owned subsidiary, Alexandra Palace Trading Limited. The results of the subsidiary are consolidated on a line by line basis and the results of the subsidiary undertaking are disclosed in note 14.

Income

All income is included in the Statement of Financial Activities when the trust is legally entitled to the income, it is probable that the income will be received and the amount can be measured reliably. The financial statements therefore reflect income due to the Group but not received by the end of the year.

Grants receivable are recognised and accounted for when conditions are met. No grants are considered to be performance related. Restricted grants are expensed for a restricted purpose only.

Income from events and trading activities is recognised at the date of the event. Income from leases is recognised over the period of the lease. Funds received for the purchase of fixed assets are accounted for as restricted income. Once the acquisition discharges the restriction of the grant then the assets will be held in designated funds. A transfer of the fixed assets from restricted funds will therefore be made to the designated fund in the year of purchase.

Deferred income within creditors is made up of advance lease payments, together with payments that have been received for events that will take place in future years. The bulk of this sum relates to the charity's trading company, Alexandra Palace Trading Limited.

Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to this category. Where costs cannot be attributed to particular headings they have been allocated to activities on a basis consistent with the use of the resources. Allocated costs have been allocated on the average of floor area basis and headcount basis.

Support costs are those costs incurred in support of the expenditure on the objects of the Trust. These support costs are allocated across the categories of charitable expenditure and the cost of raising funds.

Alexandra Park and Palace Charitable Trust

Notes to the financial statements for the year ended 2016 (continued)

2. Accounting policies (continued)

Fund accounting

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Trust for a particular purpose. The aim and use of each restricted fund is set out in the notes to the financial statements.

The designated capital fund represents the net book value of assets purchased with capital grant funding from the Council since 2009/10. The unrestricted fund represents the accumulated surpluses and deficits of the Group. The funds generated by the Trust are available for use at the discretion of the trustees in furtherance of the general objectives of the Trust.

Taxation

Alexandra Park and Palace Charitable Trust is a registered charity. As such its sources of income and gains, received under Part 10 of the Income Tax Act 2007 or Section 256 of the Taxation of Chargeable Gains Act 1992, are exempt from taxation to the extent that they are applied exclusively to its charitable objectives. The trading subsidiary donates its taxable profits to the Trust under Gift Aid. No tax charge has arisen in the year.

Investments

Fixed asset investments are shown at cost less provision for impairment in value in the Trust's accounts.

Heritage assets

The assets of the Trust include the Grade II listed Victorian Palace building and its contents, including the Willis organ, and the 196 acres of parkland.

The asset is upheld and maintained as a place of public resort and recreation and for other public purposes. The Park is accessible to public without restrictions. The Palace is opened for recreation and enjoyment where the space is safe to be used but 40% of the Palace remains derelict. The derelict spaces are being brought back into public use through an extensive capital improvements and maintenance programme (Fabric Maintenance Plan) as well as the East Wing restoration programme due to be completed in 2018.

In the past no value has been put on the Park and Palace as this is deemed to be an inalienable asset as the Act of Parliament places restrictions on its disposal. This policy has been continued as reliable cost information is not available, conventional valuation approaches lack sufficient reliability and significant costs would be involved in obtaining a valuation which would be onerous compared with the additional benefit derived by users of the accounts.

Capital improvements to the Palace and Park which are integral to the heritage asset are capitalised at cost, and depreciated on a straight-line basis over 10 to 25 years.

Tangible fixed assets

All 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:

Improvements to Palace and Park:	- on a straight-line basis over 10 to 25 years
Plant and machinery:	- on a straight-line basis over 10 to 25 years
Motor vehicles:	- on a straight-line basis over 5 years
Office equipment, furniture and fittings:	- on a straight-line basis over 5 years

The minimum capitalisation threshold is £500.

Valuation of stocks

Stocks consist of purchased goods for resale. Stocks are valued at the lower of cost and net realisable value on a first in first out basis.

Related party transactions

Because of the close and unique relationship between Haringey Council and Alexandra Park and Palace, there are a significant number of transactions between the two parties. The extent of this relationship is detailed in Note 27 to the financial statements.

The Trust has taken advantage of the exemption contained within FRS 102 from disclosing transactions with its wholly-owned subsidiary.

Operating leases

All leases are operating leases and the annual rentals are charged to the Statement of Financial Activities over the period in which the cost is incurred.

Pension contributions

The Group operates a defined benefit pension scheme on behalf of certain employees of Alexandra Palace Trading Limited (APTL). The scheme is administered by Haringey Council, although the pension funds relating to the APTL employees are held in a separately managed pool within the overall Haringey scheme. The deficit on the scheme is included within the balance sheet at 31 March 2016.

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 Group's balance sheet as a pension scheme asset or liability as appropriate.

Changes in the defined benefit pension scheme assets or liabilities arising from other factors than cash contributions by the Group are charged to the Statement of Financial Activities in accordance with FRS 102: Section 28 "Employee Benefits".

The Group also operates a defined benefit pension scheme on behalf of certain employees of Alexandra Park and Palace Charitable Trust, also administered by Haringey. However, the pension funds relating to the APPCT employees are not included in a separate pool and as such, it is not practical for a full FRS 102: Section 28 "Employee Benefits" valuation for the Trust staff to be disaggregated from the London

Alexandra Park and Palace Charitable Trust

Notes to the financial statements for the year ended 2016

2. Accounting policies (continued)

Borough of Haringey pension fund. For this reason, the scheme has been treated as a defined contribution scheme for the purpose of the financial statements.

A liability for deficit contributions in line with FRS 102 has been recognised within accruals.

The Group also operates a defined contribution pension scheme on behalf of certain employees. For defined contribution schemes the amount charged to the Statement of Financial Activities 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.

Financial instruments

Financial assets and financial liabilities are recognised when either the Trust or its Subsidiary 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 Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. With the exception of concessionary loans, basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. Concessionary loans are accounted for as social investments (SORP 21.26) when the loan is initially recognised and measured at the amount received, with the carrying amount adjusted in subsequent years to reflect payments, interest and impairment.

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.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the Trust's accounting policies the Trustees 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 and recognition of restricted grants as non-performance related grants and therefore accounted for as income in full in 2015-16.

Alexandra Park and Palace Charitable Trust

Notes to the financial statements for the year ended 2016 (continued)

3. Analysis of income from Donations and Grants

Group	2016 £'000	2015 £'000
Grants	27,930	493
Donations	45	50
	27,975	543

4. Analysis of income from other trading activities

	2016 £'000	2015 £'000
Income from trading activities	12,708	9,283

5. Analysis of income from charitable activities

Group and Trust	2016 £'000	2015 £'000
Income from the Park	126	123
Income from the Palace	98	141
Income from Learning and Community	23	12
	247	276

6. Analysis of income from investments

Group	2016 £'000	2015 £'000
Bank interest	5	5
Trust only		
Gift aid from subsidiary	1,300	940
Licence fee from subsidiary	190	190
Repayment of Gift Aid	(868)	-
	622	1,130

In the past in accordance with historic industry practice and Charity Commission guidance, the profits paid by the Alexandra Palace Trading Limited to the Trust were treated as a donation and paid over despite the trading subsidiary having had net liabilities, primarily due to the pension

Alexandra Park and Palace Charitable Trust

Notes to the financial statements for the year ended 2016 (continued)

6. Analysis of income from investments (continued)

scheme liability. This Charity Commission guidance has been withdrawn in 2014 and new guidance by ICAEW clarifies that gift aid payments from subsidiaries to charities are considered to be distributions under company law. This means that some gift aid payments in the past years have been made from non-distributable reserves.

The Trust and its subsidiary have considered various options to rectify the situation and have taken a decision to recognise a liability from the Trust to its subsidiary to repay historic overpayments which are estimated at £868,000.

7. Analysis of expenditure

Group	Direct costs £'000	Support costs £'000	Total 2016 £'000	Total 2015 restated £'000
Expenditure on raising funds:				
Expenditure of trading subsidiary	10,968	-	10,968	8,113
Raising donations and grants	80	-	80	-
	11,048	-	11,048	8,113
Expenditure on charitable expenditure				
Running and maintaining the Park	509	66	575	571
Running and maintaining the Palace	1,962	254	2,216	2,260
Learning and Community	81	10	91	101
Regeneration	1,372	177	1,549	1,853
	3,924	507	4,431	4,785

Trust only	Direct costs £'000	Support costs £'000	Total 2016 £'000	Total 2015 restated £'000
Expenditure on raising funds:				
Raising donations and grants	80	-	80	-
Expenditure on charitable expenditure				
Running and maintaining the Park	509	66	575	571
Running and maintaining the Palace	1,962	254	2,216	2,260
Learning and Community	81	10	91	101
Regeneration	1,372	177	1,549	1,835
	3,924	507	4,431	4,767

Alexandra Park and Palace Charitable Trust

Notes to the financial statements for the year ended 2016 (continued)

8. Analysis of support costs

Group	Total 2016 £'000	Total 2015 restated £'000
Wages and salaries	252	247
Overheads	255	245
	507	492

Group and Trust	Basis of allocation	Running & maintaining the park £'000	Running & maintaining the palace £'000	Learning & Community £'000	Regeneration £'000	Total 2016 £'000
Support costs allocated to activities						
Governance	Pro rata to charitable expenditure	12	47	2	33	94
General office overheads	Pro rata to charitable expenditure	33	128	5	89	255
Office management incl. Finance & HR	Pro rata to charitable expenditure	21	79	3	55	158
Total support costs		66	254	10	177	507

Cost allocation includes an element of judgement and the charity has had to consider the cost benefit of detailed calculations and record keeping. To ensure full cost recovery on projects the charity adopts a policy of allocating costs to the respective cost headings through the year. This allocation includes support costs where they are directly attributable. Therefore, the support costs shown are a best estimate of the costs that have been so allocated.

2015 Comparatives as restated:	Basis of allocation	Running & maintaining the park £'000	Running & maintaining the palace £'000	Learning & Community £'000	Regeneration £'000	Total 2015 £'000
Group and Trust						
Support costs allocated to activities						
Governance	Pro rata to charitable expenditure	10	41	2	34	87
General office overheads	Pro rata to charitable expenditure	29	116	5	95	245
Office management incl. Finance & HR	Pro rata to charitable expenditure	19	76	3	62	160
Total support costs		58	233	10	191	492

Alexandra Park and Palace Charitable Trust

Notes to the financial statements for the year ended 2016 (continued)

9. Net income / (expenditure) for the year

	2016 £'000	2015 £'000
Net income/(expenditure) is stated after charging:		
Fees payable to the charity's auditor for the audit of the charity's annual accounts	22	19
Fees payable to the charity's auditor for other services:		
The audit of the charity's subsidiary, pursuant to legislation	19	18
Tax compliance services	4	4
Tax advisory services	-	10
Operating lease rentals - land and buildings	6	6
Operating lease rentals - plant & machinery	36	36
Depreciation	464	449

10. Analysis of staff costs, Trustees remuneration and expenses, and the cost of key Management Personnel

	Group 2016 £'000	Group 2015 £'000	Trust 2016 £'000	Trust 2015 £'000
Wages and salaries	2,837	2,616	500	544
Social security costs	273	225	54	53
Pension costs - Defined Benefit scheme	93	102	75	81
Pension costs - Defined Contribution scheme	76	61	11	10
Agency staff costs	641	357	11	3
	3,920	3,361	651	691

The number of employees whose emoluments as defined for taxation purposes amounted to over £60,000 were:

	2016 Number	2015 Number
£60,000 - £70,000	3	1
£70,000 - £80,000	1	1
£80,000 - £90,000	1	1
£110,000 - £120,000	1	-
£120,000 - £130,000	-	1

Alexandra Park and Palace Charitable Trust

Notes to the financial statements for the year ended 2016 (continued)

10. Analysis of staff costs, Trustees remuneration and expenses, and the cost of key Management Personnel (continued)

The average number of employees, analysed by function, including both permanent employees and casual staff calculated on a full-time equivalent basis (number of permanent employees only illustrated by the bracketed figures) was:

	Group 2016 Number	Group 2015 Number	Trust 2016 Number	Trust 2015 Number
Cost of generating funds	75 (53)	73 (51)	-	-
Running the Park	1 (1)	1 (1)	1 (1)	1 (1)
Running the Palace	4(4)	1 (1)	4 (4)	1 (1)
Learning and Community	1 (1)	1 (1)	1 (1)	2 (2)
Regeneration	3(3)	3 (3)	3 (3)	3 (3)
Management and administration	14(14)	12 (12)	4 (4)	4 (4)
	98 (76)	91 (69)	13 (13)	11 (11)

The total remuneration (including pension contributions but excluding employer's NIC) of the key management personnel of the Charity for the year totalled £172,300 (2015: £144,000). Total employer's NIC paid in respect of key management personnel of the Charity for the year totalled £20,080 (2015: £15,300).

The key management personnel of the Group comprise those of the Charity and key management personnel of its wholly-owned subsidiary Alexandra Palace Trading Ltd. The total remuneration (including pension contributions but excluding employer's NIC) of the key management personnel of the Group for the year totalled £291,600 (2015: £246,500). Total employer's NIC paid in respect of key management personnel of the Group for the year totalled £32,300 (2015: £27,300).

Trustees' remuneration

The trustees did not receive any remuneration or reimbursement of expenses during the year (2015: £nil). Trustees and employees, and their families and friends, occasionally receive free tickets to events, which are obtained by Alexandra Palace free of charge from a third party.

11. Tax on profit on ordinary activities of trading subsidiary

The trading subsidiary has no tax charge for the year (2015: £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:

	2016 £'000	2015 £'000
Profit on ordinary activities before taxation	1,123	27
Tax on profit on ordinary activities at 20% (2015: 21%)	225	6
Expenses not deductible for tax purposes	1	1
Income not taxable	(174)	-
Capital allowances greater than depreciation	-	7
Other short-term timing differences	(83)	(17)
Items charged elsewhere (eg. extraordinary , reserves)	31	3
Total tax charge for the year	-	-

A deferred tax asset of £49,223 (2015: £nil) in relation to short term timing differences has been recognised and set off against a deferred tax liability of £49,222 (2015: £nil) in relation to fixed asset timing differences. A further deferred tax asset of £11,235 (2015: £95,949 at 21%) has not been recognised in respect of 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. In recent years the UK Government has steadily reduced the rate of UK corporation tax, with the latest rates substantively enacted by the balance sheet date being 20% with effect from 1 April 2015, 19% effective from 1 April 2017 and 18% effective from 1 April 2020. The closing deferred tax assets and liabilities have been calculated at 18%, on the basis that this is the rate at which those assets and liabilities are expected to unwind. A reduction to the UK corporation tax rate was announced in the 2016 Budget to further reduce the tax rate to 17% (to be effective from 1 April 2020). Existing temporary differences on which deferred tax has been provided may therefore unwind in future periods subject to this reduced rate. This rate change is to be included in the Finance Bill 2016 but this has not been substantively enacted at the balance sheet date.

Alexandra Park and Palace Charitable Trust

Notes to the financial statements for the year ended 2016 (continued)

12. Tangible fixed assets

Trust	Office equipment, furniture and fittings £'000	Total £'000	Group	Plant and machinery £'000	Office equipment, furniture and fittings £'000	Motor Vehicles £'000	Total £'000
Cost							
At 1 April 2015 restated	326	326		66	837	11	914
Additions	23	23		291	92	-	383
Disposals	(129)	(129)		-	(165)	-	(165)
At 31 March 2016	220	220		357	764	11	1,132
Depreciation							
At 1 April 2015 restated	244	244		10	449	4	463
Charge for the year	40	40		13	139	2	154
Disposals	(129)	(129)		-	(165)	-	(165)
At 31 March 2016	155	155		23	423	6	452
Net book value							
At 31 March 2016	65	65		334	341	5	680
At 31 March 2015 restated	82	82		56	388	7	451

13. Heritage assets

Trust and Group	Improvements to Palace and Park £'000	Asset under Construction £'000	Plant and machinery £'000	Total £'000
Cost				
At 1 April 2015 restated	4,354	-	993	5,347
Additions	284	455	-	739
Disposals	-	-	(32)	(32)
At 31 March 2016	4,638	455	961	6,054
Depreciation				
At 1 April 2015 restated	715	-	372	1,087
Charge for the year	213	-	97	310
Disposals	-	-	(32)	(32)
At 31 March 2016	928	-	437	1,365
Net book value				
At 31 March 2016	3,710	455	524	4,689
At 31 March 2015 restated	3,639	-	621	4,260

Alexandra Park and Palace Charitable Trust

Notes to the financial statements for the year ended 2016 (continued)

13. Heritage assets (continued)

The assets of the Trust include the Grade II listed Victorian Palace building and its contents, including the Willis organ, and the 196 acres of parkland. These are not held on the balance sheet as reliable cost information is not available, conventional valuation approaches lack sufficient reliability and significant costs would be involved in obtaining a valuation which would be onerous compared with the additional benefit derived by users of the accounts.

	2016 £'000	2015 £'000	2014 £'000	2013 £'000	2012 £'000
Additions at cost	739	550	966	494	437
Disposals at book price	(32)	(648)	-	-	-
Disposals proceeds	-	-	-	-	-
Depreciation/impairment	310	300	288	299	262

14. Fixed asset investments

	2016 £	2015 £
Trust only		
Shares in trading subsidiary at 1 April and 31 March	2	2

The Trust owns the entire share capital of its trading subsidiary Alexandra Palace Trading Limited, a company with registration number 3819988, registered in England and Wales. Alexandra Palace Trading Limited raises funds for Alexandra Park and Palace Charitable Trust through the hiring of halls and catering for exhibitions, banquets, conferences, weddings and other events and the running of The Bar and Kitchen and the ice rink.

Alexandra Palace Trading Limited gift aid payable to Alexandra Park and Palace Charitable Trust for 2016 is £1,300,000 (2015: paid £940,000). The net income attributable to the group is consolidated on a line by line basis in the consolidated statement of financial activities. A summary of the results is shown below:

	2016 £'000	2015 £'000
Turnover	12,708	9,283
Cost of sales	(9,768)	(7,499)
Gross Profit	2,940	1,784
Administrative expenses	(1,345)	(819)
Operating profit	1,595	965
Interest receivable and other similar income	5	5
Other finance costs	(45)	(3)
Other income	868	-
Profit payable via gift aid to the trust	(1,300)	(940)
Result for the financial year	1,123	27
Retained deficit brought forward	(709)	(753)
Actuarial loss on pension fund	157	17
Retained surplus/(deficit) carried forward	571	(709)

Alexandra Park and Palace Charitable Trust

Notes to the financial statements for the year ended 2016 (continued)

15. Stocks

	Group 2016 £'000	Group 2015 £'000	Trust 2016 £'000	Trust 2015 £'000
Food and beverages	82	83	-	-
Disposables	18	23	-	-
	100	106	-	-

16. Debtors: amounts falling due within one year

	Group 2016 £'000	Group 2015 £'000	Trust 2016 £'000	Trust 2015 £'000
Trade debtors	1,518	1,312	2	50
Other amounts due from subsidiary undertaking	-	-	237	67
Gift aid due from subsidiary undertaking	-	-	1,300	940
Other debtors	24,508	32	24,508	30
Prepayments and accrued income	78	204	4	76
	26,104	1,548	26,051	1,163

17. Creditors: amount falling due within one year

	Group 2016 £'000	Group 2015 £'000	Trust 2016 £'000	Trust 2015 £'000
Trade creditors	2,404	823	979	106
Amounts due to subsidiary undertaking	-	-	756	-
Taxation and social security	47	258	-	-
Other creditors	198	775	31	-
Accruals	461	776	78	465
Deferred income	842	1,065	10	42
Overdraft	-	60	-	60
Ice rink refurbishment loans	125	223	125	223
Lighting loan	44	-	44	-
	4,121	3,980	2,023	896

Alexandra Park and Palace Charitable Trust

Notes to the financial statements for the year ended 2016 (continued)

18. Creditors: amount falling due after more than one year

	Group 2016 £'000	Group 2015 £'000	Trust 2016 £'000	Trust 2015 £'000
Ice rink refurbishment loans	1,465	1,488	1,465	1,488
Lighting loan	189	-	189	-
Deferred income	-	21	-	-
	1,654	1,509	1,654	1,488

The ice rink refurbishment loans comprise two unsecured long-term loans from London Borough of Haringey to refurbish the ice rink facility, of which £125,000 (2015: £223,000) is repayable within one year. £67,000 of the original loan was for five years at zero interest until April 2016. The remainder was for a twelve year period at an interest rate of 3.5%.

The lighting loan was advanced during the year by Sustainable Investment Fund, London Borough of Haringey. The loan is repayable over 7 years until April 2022 at zero interest.

19. Deferred income

	Group 2016 £'000	Group 2015 £'000	Trust 2016 £'000	Trust 2015 £'000
Reconciliation of movement:				
Balance brought forward	1,065	826	42	23
Amount released to SOFA during the year	(1,065)	(826)	(42)	(23)
Amount deferred during the year	842	1,065	10	42
Balance carried forward	842	1,065	10	42

20. Provisions for contingent liabilities

	Group 2016 £'000	Group 2015 £'000	Trust 2016 £'000	Trust 2015 £'000
Haringey Council: Indemnification	-	51,032	-	51,032
Reconciliation of movement:				
Balance brought forward	-	48,747	-	48,747
Deficit support	-	2,024	-	2,024
Working capital (decreases)/increases	-	48	-	48
Ice rink loan repayment	-	213	-	213
Other incoming resources (Contribution from Corporate Trustee) - see note 26	-	(51,032)	-	(51,032)
Balance carried forward	-	-	-	-

Alexandra Park and Palace Charitable Trust

Notes to the financial statements for the year ended 2016 (continued)

21. Accumulated unrestricted funds

	Balance 1 April 2015 £'000	Income £'000	Expenditure £'000	Transfers £'000	Actuarial gain £'000	Balance 31 March 2016 £'000
Unrestricted funds	464	14,849	(14,085)	-	-	1,228
Pension deficit funds	(503)	-	25	-	157	(321)
Designated capital funds	2,368	-	(350)	739	-	2,757
	2,329	14,849	(14,410)	739	157	3,664

22. Restricted funds – Group and Trust

	Balance 1 April 2015 £'000	Income £'000	Expenditure £'000	Transfers £'000	Balance 31 March 2016 £'000
London Borough of Haringey Regeneration Project grant	-	6,793	(321)	(137)	6,335
Heritage Lottery Fund Regeneration Project grant	-	18,850	(748)	(318)	17,784
London Borough of Haringey capital grant	-	400	-	(284)	116
American Express - donation	-	33	-	-	33
Regeneration Project – individual donations	-	10	-	-	10
Heritage Lottery Fund – Educational programme grant	29	-	-	-	29
J Paul Getty Jr Charitable Trust	50	-	-	-	50
Environmental Agency grant	1	-	-	-	1
English Heritage – Theatre Restoration	3	-	-	-	3
	83	26,086	(1,069)	(739)	24,361

The restricted funds balance at 31 March 2016 is represented by net current assets of £24,361,000.

The LB of Haringey Regeneration Project grant represents funds receivable for the restoration of the East Court, the Theatre and the BBC Studios.

The Heritage Lottery Fund Regeneration Project grant represents funds receivable for the restoration of the East Court, the Theatre and the BBC Studios.

The LB of Haringey capital grant represents funds received for the purchase of fixed assets.

American Express Foundation donation represents funds received for the restoration of the Theatre.

Individual donations are restricted for the Regeneration Project.

The Heritage Lottery Fund relates to monies raised for restoration of the Theatre and the BBC Studios and the development of an educational programme.

The J Paul Getty Jr Charitable Trust relates to monies raised for restoration the East Court, Theatre and Television Studios.

The Environment Agency Grant Fund relates to monies raised for the Boating Lake.

The English Heritage Fund relates to monies raised for restoration work to the Theatre.

Once an acquisition discharges the restriction of the grant then the assets will be held in designated funds. A transfer of the fixed assets from restricted funds will therefore be made to the designated fund in the year of purchase. £284,000 was transferred from restricted to designated funds in 2015/16 in relation to this.

Alexandra Park and Palace Charitable Trust

Notes to the financial statements for the year ended 2016 (continued)

23. Total funds

	Group 2016 £'000	Group 2015 £'000	Trust 2016 £'000	Trust 2015 £'000
Opening fund balance	2,412	(45,846)	3,121	(45,093)
Surplus in year	25,456	48,241	24,333	48,214
Actuarial gain	157	17	-	-
Closing fund balance	28,025	2,412	27,454	3,121

24. Financial commitments

Operating lease commitments

The total future minimum lease payments under non-cancellable operating leases:

	Group 2016 £'000	Group 2015 £'000	Trust 2016 £'000	Trust 2015 £'000
Group				
Within one year	28	30	6	6
Between one and five years	22	50	9	16
	50	80	15	22

Capital commitments are as follows:

	Group 2016 £'000	Group 2015 £'000	Trust 2016 £'000	Trust 2015 £'000
Contracted for but not provided for	872	-	872	-

Other capital commitments relate to non-cancellable contract for preliminary and enabling works relating to the Regeneration of the East Wing of the Palace.

Alexandra Park and Palace Charitable Trust

Notes to the financial statements for the year ended 2016 (continued)

25. Pension scheme

Trust:

(a) Defined benefit scheme

The Trust operates a defined benefit pension scheme for the benefit of its employees. The assets of the Scheme are in a fund independent from the Trust and are administered by Haringey Council under the provisions of the Local Government Superannuation Act of 12 June 2000. The pension fund assets and liabilities relating to the employees of the Trust are included within the overall Haringey fund and as such, it is not practical or relevant to produce a full FRS17 valuation at the balance sheet date. For this reason, the scheme is treated as a defined contribution scheme for the purposes of the Trust financial statements. This treatment is consistent with previous years.

The Fund is independently valued every three years by a firm of actuaries to assess the adequacy of the Fund's investments and contributions to meet its liability. The last triennial valuation took place as at 31 March 2013. The valuation was carried out in accordance with 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 assumptions which have the most significant effect on the results of the valuation are:

	Nominal % per annum
Rate of pensionable salary increases (excl. increments)	4.3% per annum compound
Rate of price inflation/pensions increases	2.5% per annum compound
Discount rate	4.6% per annum compound

Following this valuation, the Actuary agreed that the Trust's contribution would be 23% for the three years of the triennial period.

Alexandra Park and Palace Charitable Trust

Notes to the financial statements for the year ended 2016 (continued)

25. Pension scheme (continued)

Trading Company:

(b) 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 three (2015: three) scheme members still in the employment of the trading company as at 31 March 2016. 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 102: 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 2013. 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 assumptions which have the most significant effect on the results of the valuation are:

	Nominal % per annum
Rate of pensionable salary increases (excl. increments)	4.3% per annum compound
Rate of price inflation/pensions increases	2.5% per annum compound
Discount rate	4.6% per annum compound

Alexandra Palace Trading Limited employer's contribution is 23.9% of salary. The pension contribution for the year was £24,000 (2014: £22,000). In addition APTL paid £44,000 (2013: £43,000) towards reducing the fund deficit.

The actuarial valuation described above has been updated at 31 March 2016 by a qualified actuary using revised assumptions that are consistent with the requirements of FRS 102, 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 were:

	Nominal % per annum	
	2016	2015
Rate of price inflation/pensions increases	2.1	2.1
Salary increases	4.1	4.0
Discount rate	3.4	3.1

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

	Males	Females
Current pensioners	21.9 years	24.1 years
Future pensions	24.2 years	26.5 years

Alexandra Park and Palace Charitable Trust

Notes to the financial statements for the year ended 2016 (continued)

25. Pension scheme (continued)

	2016 £'000	2015 £'000 restated
Recognition in the statement of financial activities		
Current service cost	30	25
Interest cost	97	117
Interest income on plan assets	(82)	(94)
	45	48

	2016 £'000	2015 £'000
Reconciliation of defined benefit obligation		
Opening Defined Benefit Obligation	3,184	2,901
Current service cost	30	26
Interest cost	97	117
Contributions by members	6	6
Actuarial losses	(207)	237
Benefits paid	(131)	(103)
Closing defined benefit obligation	2,979	3,184

	2016 £'000	2015 £'000 Restated
Reconciliation of fair value of employer assets		
Opening fair value of employer assets	2,681	2,317
Expected return on assets	82	94
Contributions by members	6	6
Contributions by the employer	70	68
Actuarial (losses)/gains	(50)	299
Benefits paid	(131)	(103)
Closing fair value of employer assets	2,658	2,681

The scheme assets are invested as follows:

	2016 £'000	2015 £'000
Equities	1,808	1,877
Bonds	532	536
Property	292	241
Cash	26	27
Total	2,658	2,681

Alexandra Park and Palace Charitable Trust

Notes to the financial statements for the year ended 2016 (continued)

25. Pension scheme (continued)

Analysis of amount recognised within net movement in funds in the SOFA:

	2016 £'000	2015 £'000 Restated
Actuarial gain	157	62

c) Auto-enrolment pension scheme

From June 2014 the trading company operates the auto-enrolment pension scheme for all employees who joined after September 1999 and qualify to join the scheme. The scheme is administered by B&CE, a subsidiary of B&CE Holdings Limited (registered in England & Wales No 377361). The company encourages its employees to contribute more than a minimum required contribution by doubling an employee contribution up to 10%. Otherwise the scheme is operated at a minimum level of required contributions. The employer's contribution for the year was £63,000 (2015: £61,000)

26. Contingent liabilities - historic note

In February 2015 the Corporate Trustee, London Borough of Haringey, and the Trust have agreed that the amount of revenue support (contribution) from the Borough advanced to the Trust since 1980 and up to 31 March 2015 will not be repayable in whole or in part by the Trust unless and until full financial provision has been made for the obligations and contractual commitments of the Trust for the foreseeable future. Any assessment of these obligations and commitments must be to the satisfaction of both the Trust and the Borough before any such repayment is initiated.

The amount of this contingent liability as at 31 March 2015 was £51,032,000. As the basis of funding provided by the Corporate Trustee has now changed to annual grant the value of this contingent liability remains unchanged at 31 March 2016.

Prior to this agreement the deficit incurred each year formed part of the provision due to the Borough and was shown as a creditor on the Balance Sheet. The amount accumulated up to 31 March 2015 was recognised as income and shown as 'Other income' in the Statement of Financial Activities for the year ended 31 March 2015.

27. Controlling party

The charity's ultimate controlling party is the London Borough of Haringey. The parent undertaking of the largest and smallest group, which includes the charity and for which group accounts are prepared, is the London Borough of Haringey. 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.

28. Related Party Transactions

The Council of the London Borough of Haringey is Trustee of the Trust. The Council delegates the entire function of trustee to the Alexandra Park and Palace Board. The Council elects individual members to sit on the Alexandra Park and Palace Board to act as the charity trustees. The charity trustees are those persons having the general control and management of the administration of the Trust. All employees of the Trust are employees of Haringey Council as trustee and are included in the Council's pension arrangements.

Due to the nature of the relationship between the Trust and Haringey Council there are a number of significant related party transactions. These amounts are consolidated into the Trust's financial statements. However, due to the unique nature and structure of the relationship it is thought appropriate to disclose the amounts paid by Alexandra Park and Palace Charitable Trust to Haringey Council: general rates of £62,000 (2015: £60,000); exhibition licences of £56,000 (2015: £51,000); public liability insurance £42,000 (2015: £41,000); APTL liability insurance of £21,000 (2015: £21,000); legal and professional fees £3,000 (2015: £7,000), printing and other sundry items £nil (2015: £2,000).





