

**The Diana, Princess of Wales  
Memorial Fund (Tribute Album) Limited**

**Registered Number: 3408536**

**Report and financial statements  
for the year ended 31 December 2005**

*Diana*  
THE WORK CONTINUES



# **The Diana, Princess of Wales Memorial Fund (Tribute Album) Limited**

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# **The Diana, Princess of Wales Memorial Fund (Tribute Album) Limited**

## **Directors' report for the year ended 31 December 2005**

The directors of The Diana, Princess of Wales Memorial Fund (Tribute Album) Limited present their report and audited financial statements for the year ended 31 December 2005.

### **Principal activity**

The principal activity of the company was the sale of the "Diana, Princess of Wales Tribute" compilation CD and album.

### **Review of business and future developments**

Both the level of business during the year and the financial position at 31 December 2005 were as anticipated.

There were no sales of the CD and album during the year.

### **Results and dividends**

The profit and loss account for the year is set out on page 4.

The company has executed a Deed of Covenant under which 100% of taxable profits for the accounting period are payable to the Diana, Princess of Wales Memorial Fund. The profit of £2,937 (2004 - £1,954) has been covenanted to the Fund.

The directors do not recommend the payment of a dividend.

# **The Diana, Princess of Wales Memorial Fund (Tribute Album) Limited**

## **Directors' report for the year ended 31 December 2005 (continued)**

### **Directors and directors' interests**

The directors of the company during the year ended 31 December 2005 are listed below.

Brian Hutchinson  
Dr Andrew Purkis (resigned 30 September 2005)  
Christopher Spence

None of the directors had any direct interest in the share of the company or in the intermediate company, The Diana Princess of Wales Memorial Fund (No 1) Ltd at 31 December 2005 or at any time during the year.

### **Directors' responsibilities**

The directors are required by UK company law to prepare financial statements for each financial period that give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit or loss for that year.

The directors confirm that suitable accounting policies have been used and applied consistently and reasonable and prudent judgements and estimates have been made in the preparation of the financial statements for the year ended 31 December 2005. The directors also confirm that applicable accounting standards have been followed and that it is appropriate for the financial statements to be prepared on the going concern basis.

The directors are responsible for keeping proper accounting records, for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the directors has confirmed that, so far as he is aware, there is no relevant audit information of which the company's auditors are unaware, and that he has taken all reasonable steps as a director to make himself aware of any relevant information and to establish that the company's auditors have been made aware of such information.

### **Auditors**

PricewaterhouseCoopers LLP resigned as auditors 13 December 2005.  
PKF LLP were appointed as auditors 13 December 2005.

**By order of the board**



**David Isaac**

# The Diana, Princess of Wales Memorial Fund (Tribute Album) Limited

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE DIANA, PRINCESS OF WALES MEMORIAL FUND (TRIBUTE ALBUM) LIMITED

We have audited the financial statements of The Diana, Princess of Wales Memorial Fund (Tribute Album) Limited for the year ended 31 December 2005 which comprise the profit and loss account, the balance sheet and the related notes. The financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom accounting standards ('United Kingdom Generally Accepted Accounting Practice') are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and have been properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

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

### Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

### Opinion

In our opinion the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2005 and of its profit for the year then ended; and have been properly prepared in accordance with the Companies Act 1985.

	<i>PKF UK LLP</i>	PKF (UK) LLP
		Registered Auditors
<i>12 July</i>	<i>2006</i>	London, UK

# **The Diana, Princess of Wales Memorial Fund (Tribute Album) Limited**

## **Profit and loss account for the year ended 31 December 2005**

	Notes	Year ended 31.12.2005 £	Year ended 31.12.2004 £
<b>Turnover</b>	2	-	-
Cost of sales		-	-
<b>Gross profit</b>		-	-
Administrative expenses		(1,051)	(2,089)
<b>Operating (loss)</b>		(1,051)	(2,089)
Interest receivable and similar income		3,988	4,043
<b>Profit on ordinary activities before covenant</b>		2,937	1,954
Covenant	3	(2,937)	(1,954)
<b>Retained profit for the year</b>	10	-	-

None of the company's activities were acquired or discontinued during the two financial years.

The company has no recognised gains and losses other than those shown above and therefore no separate statement of total recognised gains and losses has been presented.

There is no difference between the profit on ordinary activities before covenant and the retained profit stated above, and their historical cost equivalents.

# The Diana, Princess of Wales Memorial Fund (Tribute Album) Limited

## Balance sheet as at 31 December 2005

	Notes	31.12.2005 £	31.12.2004 £
<b>Current assets</b>			
Investments	5	73,037	92,204
Debtors	7	-	370
Cash at bank and in hand		811	30,158
		<u>73,848</u>	<u>122,732</u>
<b>Creditors: amounts falling due within one year</b>	8	<u>(73,847)</u>	<u>(122,731)</u>
<b>Net assets</b>		<u>1</u>	<u>1</u>
<b>Capital and reserves</b>			
Called up share capital	9	1	1
Profit and loss account	10	-	-
		<u>1</u>	<u>1</u>
<b>Equity shareholder's funds</b>	11	<u>1</u>	<u>1</u>

The financial statements on pages 4 to 10 were approved by the board of directors on  
11 July 2006 and were signed on its behalf by:

*Christopher Spence*  
**Christopher Spence**

Director

*David Isaac*  
**David Isaac**

Director

# **The Diana, Princess of Wales Memorial Fund (Tribute Album) Limited**

## **Notes to the financial statements for the year ended 31 December 2005**

### **1 Principal accounting policies**

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. A summary of the principal accounting policies, which have been applied consistently, is set out below.

#### **Basis of accounting**

The financial statements have been prepared in accordance with the historical cost convention.

#### **Turnover**

Turnover is accounted for on an accruals basis, excludes value added tax and represents the invoiced value of goods sold and royalties earned from sales.

#### **Cash flow statement**

The cash flows of the company are included in the consolidated group cash flow statement of The Diana, Princess of Wales Memorial Fund ("the Memorial Fund"). Consequently, the company is exempt under the terms of Financial Reporting Standard 1 from publishing a cash flow statement.

#### **Foreign currencies**

Assets and liabilities expressed in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. All gains and losses as a result of exchange movements during the period are included in the profit and loss account.

#### **Deferred taxation**

Deferred tax is recognised as a liability or asset if transactions have occurred at the balance sheet date that give rise to an obligation to pay tax in future or a right to pay less tax in future, where the amount of tax concerned is material.



**The Diana, Princess of Wales Memorial Fund  
(Tribute Album) Limited**

**Notes to the Financial Statements  
for the year ended 31 December 2005  
(continued)**

**2 Geographical analysis of turnover**

The geographical analysis of turnover by destination is stated below:

	Year ended 31.12.2005 £	Year ended 31.12.2004 £
United Kingdom	<u>-</u>	<u>-</u>

**3 Covenant**

	Year ended 31.12.2005 £	Year ended 31.12.2004 £
Deed of Covenant	<u>2,937</u>	<u>1,954</u>

The company has executed a Deed of Covenant under which 100% of taxable profits for the accounting year are payable to the Memorial Fund.

**4 Profit on ordinary activities**

Profit on ordinary activities is stated after charging:

	Year ended 31.12.2005 £	Year ended 31.12.2004 £
Auditors' remuneration		
- audit	500	1,578
- other services	<u>-</u>	<u>-</u>

# **The Diana, Princess of Wales Memorial Fund (Tribute Album) Limited**

## **Notes to the financial statements for the year ended 31 December 2005 (continued)**

### **5 Investments**

#### **Current asset investments**

	2005	2004
	£	£
Cost and market value at 1 January	92,204	89,019
Additions	3,833	3,185
Disposals	(23,000)	-
Cost and market value at 31 December	<u>73,037</u>	<u>92,204</u>

The investments comprised a collective investment in transferable securities with the aim of maintaining capital value and producing a return. That investment consisted of shares in the Sterling Fund of Royal Bank of Scotland's Global Treasury Funds Plc.

The shares in the Sterling Fund are listed on the Irish Stock Exchange.

### **6 Staff costs and directors' remuneration**

The company employed no staff during the year.

The directors received no remuneration in respect of their services to the company during the year.

### **7 Debtors**

	2005	2004
	£	£
Amounts falling due within one year		
VAT recoverable	-	-
Accrued Investment Income	<u>-</u>	<u>370</u>

# **The Diana, Princess of Wales Memorial Fund (Tribute Album) Limited**

## **Notes to the financial statements for the year ended 31 December 2005 (continued)**

### **8 Creditors: amounts falling due within one year**

	2005	2004
	£	£
Other creditors	38,402	38,402
Amounts owed to No 1 Ltd	1	48,490
Amounts owed to the Memorial Fund	2,937	1,954
VAT payable	-	-
Accruals	32,507	33,885
	<u>73,847</u>	<u>122,731</u>

### **9 Called up share capital**

	2005	2004
	£	£
Authorised		
100 ordinary shares of £1 each	<u>100</u>	<u>100</u>
Allotted, called up and fully paid		
1 ordinary share of £1 each	<u>1</u>	<u>1</u>

### **10 Profit and loss account**

	Year ended 31.12.2005
	£
Retained profit for the year	-
Profit brought forward	-
At 31 December 2005	<u>-</u>

### **11 Reconciliation of movements in shareholder's funds**

	Year ended 31.12.2005	Year ended 31.12.2004
	£	£
Opening Shareholder's funds	1	1
Retained profit for the year	-	-
Closing shareholder's funds	<u>1</u>	<u>1</u>

# **The Diana, Princess of Wales Memorial Fund (Tribute Album) Limited**

## **Notes to the Financial Statements for the year ended 31 December 2005 (continued)**

### **12 Related party transactions**

The company, being ultimately controlled by the Memorial Fund, has taken advantage of the exemption within Financial Reporting Standard 8 from disclosure of transactions with group undertakings.

There were no other related party transactions during the year.

### **13 Parent undertakings**

At 31 December 2005, The Diana, Princess of Wales Memorial Fund (No 1) Limited, a company registered in England and Wales, was the intermediate parent undertaking of the company.

The Diana, Princess of Wales Memorial Fund (No 1) Limited is itself a wholly owned subsidiary of The Diana, Princess of Wales Memorial Fund, a charity registered in the United Kingdom, which is the company's ultimate parent body. Copies of the consolidated financial statements of The Diana, Princess of Wales Memorial Fund can be obtained from the Chief Executive, The Diana, Princess of Wales Memorial Fund, The County Hall, Westminster Bridge Road, London SE1 7PB.