

**The Diana, Princess of Wales  
Memorial Fund Limited**

**Registered Number: 3408536**

**Report and financial statements  
for the year ended 31 December  
2000**



# **The Diana, Princess of Wales Memorial Fund Limited**

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# **The Diana, Princess of Wales Memorial Fund Limited**

## **Directors' report for the year ended 31 December 2000**

The directors of The Diana, Princess of Wales Memorial Fund Limited present their report and audited financial statements for the year ended 31 December 2000.

### **Principal activity**

The principal activity of the company is 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 2000 were satisfactory.

The company's taxable profits, which would be payable to The Diana, Princess of Wales Memorial Fund under the Deed of Covenant, were paid as group relief to The Diana, Princess of Wales Memorial Fund (No 1) Limited ("No 1 Ltd") to offset the losses made by No 1 Ltd.

The directors expect the level of the company's activities to continue to reduce further over the forthcoming period.

### **Results and dividends**

The profit and loss account for the period 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 Fund. As referred to in the review of business above, the surrender of part of No 1 Ltd's losses has reduced the company's taxable profits in the year to nil and therefore the amount covenanted is £Nil (1999 - £966,556). A payment of £661,384 was made by the company to No 1 Ltd which represents the full amount of group relief claimed.

The directors do not recommend the payment of a dividend.

# **The Diana, Princess of Wales Memorial Fund Limited**

## **Directors' report for the year ended 31 December 2000 (continued)**

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

The directors of the company during the year ended 31 December 2000 are listed below.

Michael Gibbins LVO (resigned July 2000)  
Brian Hutchinson  
Anthony Julius  
Lady Sarah McCorquodale (resigned July 2000)  
Dr Andrew Purkis  
Christopher Spence MBE

None of the directors had any direct interest in the share of the company or in No 1 Ltd at 31 December 2000 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 2000. 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.

### **Auditors**

Following a competitive tender process, the member re-appointed PricewaterhouseCoopers as auditors to the company in October 2000.

### **By order of the board**

  
**Christopher Spence**

2 May 2001

# **The Diana, Princess of Wales Memorial Fund Limited**

## **Auditors' report to the member of The Diana, Princess of Wales Memorial Fund Limited**

We have audited the financial statements on pages 4 to 10.

### **Respective responsibilities of directors and auditors**

The directors are responsible for preparing the Annual Report. As described on page 2, this includes responsibility for preparing the financial statements, in accordance with applicable United Kingdom accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and our profession's ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the United Kingdom Companies Act. 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 transactions is not disclosed.

We read the other information contained in the Annual Report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

### **Basis of audit opinion**

We conducted our audit in accordance with Auditing Standards 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 judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

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

### **Opinion**

In our opinion the financial statements give a true and fair view of the state of affairs of the company at 31 December 2000 and of the profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*Price Waterhouse Coopers*

PricewaterhouseCoopers  
Chartered Accountants and Registered Auditors  
1 Embankment Place  
London WC2N 6NN

2 May 2001

# The Diana, Princess of Wales Memorial Fund Limited

## Profit and loss account for the year ended 31 December 2000

	Notes	Year ended 31.12.2000 £	Year ended 31.12.1999 £
Turnover	2	629,388	1,034,365
Cost of sales		(8,528)	(4,984)
<b>Gross profit</b>		620,860	1,029,381
Net operating expenses	3	646	(100,318)
<b>Operating profit</b>		621,506	929,063
Interest receivable and similar income		39,878	37,493
<b>Profit on ordinary activities before covenant</b>		661,384	966,556
Covenant	4	-	(966,556)
<b>Profit on ordinary activities before group relief</b>	5	661,384	-
Payment in respect of group relief to No 1 Ltd	6	(661,384)	-
<b>Retained profit for the year</b>	11	-	-

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.

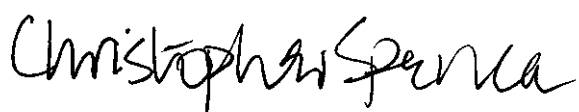
There is no difference between the profit on ordinary activities before group relief and the retained profit stated above, and their historical cost equivalents.

# The Diana, Princess of Wales Memorial Fund Limited

## Balance sheet as at 31 December 2000

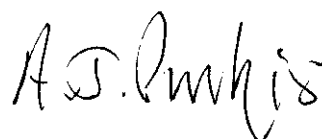
	Notes	31.12.2000 £	31.12.1999 £
<b>Current assets</b>			
Debtors	8	49,839	22,739
Cash at bank and in hand		98,509	244,653
		<u>148,348</u>	<u>267,392</u>
<b>Creditors: amounts falling due within one year</b>	9	<u>(148,347)</u>	<u>(267,391)</u>
<b>Net assets</b>		<u>1</u>	<u>1</u>
<b>Capital and reserves</b>			
Called up share capital	10	1	1
Profit and loss account	11	-	-
		<u>1</u>	<u>1</u>
<b>Equity shareholder's funds</b>	12	<u>1</u>	<u>1</u>

The financial statements on pages 4 to 10 were approved by the board of directors on 2 May 2001 and were signed on its behalf by:



**Christopher Spence**

**Director**



**Andrew Purkis**

**Director**

# **The Diana, Princess of Wales Memorial Fund Limited**

## **Notes to the financial statements for the year ended 31 December 2000**

### **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 excludes value added tax and represents the invoiced value of goods sold and royalties earned from sales. Due to the inherent uncertainties in respect of quantifying royalties until they are received, the directors consider that it is appropriate that they are accounted for when received.

#### **Cash flow statement**

The cash flows of the company are included in the consolidated group cash flow statement of the Fund. Consequently, the company is exempt under the terms of Financial Reporting Standard 1 (1996) 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.

# **The Diana, Princess of Wales Memorial Fund Limited**

## **Notes to the financial statements for the year ended 31 December 2000 (continued)**

### **2 Geographical analysis of turnover**

The geographical analysis of turnover by destination is stated below:

	<b>Year ended 31.12.2000</b>	<b>Year ended 31.12.1999</b>
	<b>£</b>	<b>£</b>
United Kingdom	(57,573)	2,719
Rest of the world	686,961	1,031,646
	<u>629,388</u>	<u>1,034,365</u>

### **3 Net operating expenses**

	<b>Year ended 31.12.2000</b>	<b>Year ended 31.12.1999</b>
	<b>£</b>	<b>£</b>
Distribution costs	(6,273)	87,236
Administrative expenses	5,627	13,082
	<u>(646)</u>	<u>100,318</u>

### **4 Covenant**

	<b>Year ended 31.12.2000</b>	<b>Year ended 31.12.1999</b>
	<b>£</b>	<b>£</b>
Deed of Covenant	<u>-</u>	<u>966,556</u>

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

### **5 Profit on ordinary activities before group relief**

Profit on ordinary activities before group relief is stated after charging:

	<b>Year ended 31.12.2000</b>	<b>Year ended 31.12.1999</b>
	<b>£</b>	<b>£</b>
Auditors' remuneration		
- audit	4,500	5,000
- other services	<u>750</u>	<u>7,773</u>

# The Diana, Princess of Wales Memorial Fund Limited

## Notes to the financial statements for the year ended 31 December 2000 (continued)

### 6 Group relief

	Year ended 31.12.2000	Year ended 31.12.1999
	£	£
Payment in respect of group relief - No 1 Ltd	661,384	-

A payment of £661,384 was made by the company to No 1 Ltd which represents the full amount of group relief claimed.

### 7 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.

### 8 Debtors

	Year ended 31.12.2000	Year ended 31.12.1999
	£	£
<i>Amounts falling due within one year</i>		
Income tax recoverable	-	11,504
Amounts owed by No 1 Ltd	38,616	-
VAT recoverable	11,223	187
Other debtors	-	11,048
	<u>49,839</u>	<u>22,739</u>

### 9 Creditors: amounts falling due within one year

	Year ended 31.12.2000	Year ended 31.12.1999
	£	£
Trade creditors	-	1,596
Other creditors	66,620	-
Amounts owed to		
The Diana, Princess of Wales Memorial Fund	-	128,237
Income tax payable	-	49,808
VAT payable	-	-
Accruals and deferred income	81,727	87,750
	<u>148,347</u>	<u>267,391</u>

# The Diana, Princess of Wales Memorial Fund Limited

## Notes to the financial statements for the year ended 31 December 2000 (continued)

### 10 Called up share capital

	Year ended 31.12.2000	Year ended 31.12.1999
	£	£
Authorised		
100 ordinary shares of £1 each	100	100
	<hr/>	<hr/>
Allotted, called up and fully paid		
1 ordinary share of £1 each	1	1
	<hr/>	<hr/>

### 11 Profit and loss account

	Year ended 31.12.2000
	£
Retained profit for the year	-
Profit brought forward	-
At 31 December 2000	-
	<hr/>

### 12 Reconciliation of movements in shareholder's funds

	Year ended 31.12.2000	Year ended 31.12.1999
	£	£
Opening Shareholder's funds	1	-
New capital introduced	-	1
Retained profit for the year	-	-
	<hr/>	<hr/>
Closing shareholder's funds	1	1
	<hr/>	<hr/>

### 13 Related party transactions

The company, being ultimately controlled by the 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.

# **The Diana, Princess of Wales Memorial Fund Limited**

## **Notes to the financial statements for the year ended 31 December 2000 (continued)**

### **14 Parent undertakings**

At 31 December 2000, 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 (No1) 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.