



Annual report | The Royal House of Denmark 2005  
Summary

The birth of Prince Christian, the first child of The Crown Prince and The Crown Princess, was the highlight of the year for The Royal Family in 2005. Other important events were the visit of The Queen and The Prince Consort to the Faroe Islands accompanied by The Crown Prince and The Crown Princess, and the official visit of The Crown Prince and The Crown Princess to Australia. Commercial and cultural campaigns in countries such as Japan, China and Russia led to considerable activity for the members of The Royal Family in close cooperation with Government ministries and the private sector. Finally, the members of The Royal Family attended a number of events both inside and outside Denmark in celebration of the Hans Christian Andersen and August Bournonville bicentennials.

In the aftermath of the tragic tsunami in South East Asia, the annual New Year's Banquet and New Year's Levees were cancelled. On 2 January, The Queen and The Prince Consort along with other members of The Royal Family attended a memorial service in Copenhagen Cathedral. In April, The Crown Prince and The Crown Princess also attended a memorial service in Thailand for the Danish victims of the disaster.

The first Annual Report (2004) on the Danish Monarchy was published in spring 2005. The report describes The Royal Family, its tasks and functions and the year's key events. In the Annual Report for 2005, focus is on the summer tours by The Queen and The Prince Consort on board the Royal Yacht Dannebrog, commercial and cultural campaigns, and royal orders and medals. The report further covers the Court's organisation, renewal of the collective agreement for Court employees, and annual accounts.

Within the Court, work continues on necessary adjustments to update the management and administration of the Royal Household with a view to achieving more streamlined operation. The management structure has been strengthened through increased delegation of responsibility.

The collective agreement dating from 2002 between the Court and The Association of Court Employees has been renewed for the next three years. As part of the ongoing adjustment of activities relating to the Monarchy, work is also taking place to strengthen external information concerning The Royal Family and internal communication between management and employees.

The Annual Report also describes the Royal Finances. Following last year's restructuring, this year's annual accounts cover the calendar year 1 January–31 December 2005.



**Ove Ullerup**

*Lord Chamberlain*

Amalienborg, 21 March 2006

## The Danish Monarchy

The Danish Monarchy is based on the Constitutional Act. The Queen exercises authority through cabinet ministers of the Government. Decisions made by The Queen must therefore be countersigned by a minister to be effective. The Queen is neutral in party political matters and other respects.

Legislative power is vested jointly in The Queen and the Folketing, the Danish Parliament. An Act of Parliament must be assented to by The Queen before it can come into force, and this assent takes place in the Council of State, which consists of all ministers of the cabinet. The Council of State is held under the presidency of The Queen, and The Crown Prince is also present. Government bills must be presented in the Council of State before being submitted to the Folketing. In urgent cases, bills may be submitted and Acts assented to outside the Council of State, and then subsequently confirmed in the next Council of State. Nine meetings of the Council of State were held in 2005. The Royal Family is traditionally present at the opening of the Folketing, which takes place on the first Tuesday in October.

As part of the exercise of executive power, various matters are submitted to The Queen. Examples are the appointment and dismissal of ministers, and also the appointment and dismissal of senior civil servants. In some cases Royal Decrees are promulgated, such as at the implementation of legislation relating to Greenland and the Faroe Islands and the issue of new coinage. Thirteen Royal Decrees were promulgated in 2005.

The Prime Minister and the Minister for Foreign Affairs meet regularly with The Queen to provide personal briefings regarding domestic and international matters.

Judicial authority lies with the courts of law. On the recommendation of the Minister of Justice, however, The Queen may grant pardon to convicted persons. On an annual basis, relatively few individuals are recommended for pardon by The Queen.

In cases where The Queen is prevented by absence or illness from performing her functions as Head of State, The Crown Prince is appointed as regent. If The Crown Prince is similarly prevented, Prince Joachim or Princess Benedikte serve.

## Activities and Events

The birth of a son to The Crown Prince and The Crown Princess on 15 October in Copenhagen University Hospital, Rigshospitalet, was the highlight of the year. In keeping with tradition, the occasion was marked by the flying of the Danish flag from public buildings nationwide, and by gun salutes from Kronborg Castle in Elsinore and from the Battery Sixtus on Holmen in Copenhagen.

For the members of The Royal Family, key events in 2005 were visits to Australia and the Faroe Islands. The tsunami tragedy in South East Asia, and the Hans Christian Andersen and August Bournonville bicentennials also influenced the activities of the Royal House. The Queen's official State Visit to Mexico had to be postponed due to illness.

The summer tours made by The Queen and The Prince Consort, and various commercial and cultural promotions, are covered separately in special themes of this annual report.

### The Tsunami in South East Asia

On 26 December 2004, South East Asia was hit by a natural disaster when a tsunami swamped coastal areas in 13 countries, leading to considerable loss of human life and extensive damage. The victims also included Danes staying in Thailand and Sri Lanka. In the aftermath of the tragic events, the annual New Year's Banquet and New Year's Levees were cancelled. On 2 January, The Royal Family attended a memorial service in Copenhagen Cathedral for the disaster victims.

In mid-April, the Danish Prime Minister invited relatives of the Danish victims to a memorial service held on the beach at Phuket in Thailand. The Crown Prince and The Crown Princess attended the moving event and the subsequent flower ceremony and also visited some of the areas hit.

### Auschwitz-Birkenau – 60 Years After

On 27 January, Prince Joachim attended a memorial ceremony marking the 60th anniversary of the liberation of prisoners from the Auschwitz-Birkenau concentration camp in Poland. Auschwitz-Birkenau was the largest of the concentration camps and claimed 1.5 million lives. The ceremony was attended by Heads of State and official representatives from most of Europe and from North America. In the morning the delegations attended a youth forum at the Slowacki Theatre in Krakow entitled "Let My People Live". The memorial ceremony took place in the late afternoon at Auschwitz-Birkenau. On what was a bitterly cold January day, the state and government representatives placed candles at the memorial to the concentration camp's many victims.

## Official Visit to Australia

The visit to Australia in February and March was the first official visit abroad by The Crown Prince and The Crown Princess since their wedding in May 2004. The Australian people received The Crown Prince and The Crown Princess with overwhelming warmth and cordiality. Starting in Sydney, the itinerary continued to the capital city Canberra and Melbourne, and finished in Tasmania, where The Crown Princess was born and grew up.

During their stay of almost three weeks, The Crown Prince and The Crown Princess helped by their presence to focus attention on several of Australia's leading humanitarian organisations. The organisations visited were the sister bodies of those in Denmark for which The Crown Prince and The Crown Princess are patrons. The visit helped create new Danish-Australian contacts in the areas of cardiac and cancer research, humanitarian aid, and conditions for children and the mentally ill.

The Crown Prince and The Crown Princess were received in Canberra by the Australian Prime Minister Mr. John Howard. The history of Australia was brought vividly to life during the visit to Port Arthur, Tasmania, to which English convicts were transported some 200 hundred years ago. The convicts and their descendants helped establish some of the first colonies of Europeans in Australia.

## Divorce

Prince Joachim and Princess Alexandra were granted a divorce on 8 April 2005 following prior separation. On The Queen's birthday, Her Highness Princess Alexandra was awarded the additional title of Countess of Frederiksborg.

## Birthday Bicentennials

2005 was the 200th anniversary of the birth of Hans Christian Andersen and August Bournonville. Both had close associations during their lives with The Royal Family, which supported their artistic development in the fields of literature and ballet. Now, several generations later, the members of The Royal Family played an active part in the celebrations to mark their achievements.

The Hans Christian Andersen bicentennial was both a national and an international event, with the appointment outside Denmark of more than 200 Hans Christian Andersen ambassadors. On behalf of the Hans Christian Andersen 2005 Foundation, members of The Royal Family appointed 83 such ambassadors, ranging from Brazilian football legend Pelé to Danish violinist Nikolaj Znaider and Iraqi publishing director Fakhrî Karîm.

On 1 April, The Queen and The Prince Consort hosted a reception for the Hans Christian Andersen ambassadors at Christiansborg Palace. The reception took place following a gala performance at the Royal Theatre. As the final event in the bicentennial year, Prince Joachim opened a Hans Christian Andersen exhibition in Egypt devoted to the importance of the art of writing. Entitled "Writing is an Act of Love", the exhibition was also staged at Thorvaldsens Museum in Copenhagen.

In summer 2005 the life of August Bournonville, founder of Denmark's world-famous ballet school, was celebrated with exhibitions and seminars, and with performances of his full ballet repertoire at the Royal Theatre. Many of these performances were attended by The Queen, The Crown Princess and Princess Benedikte. On 21 August, the 200th anniversary of the master's birthday, dancers from the world's leading ballet companies performed at the Royal Theatre in the presence of Princess Benedikte.

## 60th Anniversary of Denmark's Liberation

The 60th anniversary of the liberation of Denmark was widely commemorated. The Queen took part in a ceremony of remembrance at the Memorial Grove in Ryvangen, Copenhagen, on the evening of May 4th, followed by a wreath-laying ceremony there the next day. The Queen also attended a memorial ceremony at the commemorative anchor in Nyhavn and a service in Holmens Kirke. Princess Benedikte was likewise present at a number of commemorative events, and Prince Joachim attended a memorial ceremony at Skamlingsbanken south of Kolding.

## The Faroe Islands

At the end of June, The Queen and The Prince Consort visited the Faroe Islands accompanied by The Crown Prince and The Crown Princess. A gift of a Faroese national costume, presented to The Crown Princess prior to departure, was worn frequently during the visit. This was the first visit by The Crown Princess to the Faroe Islands. The Royal Party visited the beautiful, green islands on board the Royal Yacht Dannebrog.

The members of The Royal Family were received in the capital Tórshavn by a delegation headed by Prime Minister Mr. Jóannes Eidesgaard. In Tórshavn, The Crown Prince and The Crown Princess visited the Cathedral and a disused margarine factory, now the setting for various activities for young people. To the delight of the youngsters, both Royal visitors joined in a game of table football. The Queen and The Prince Consort together with The Crown Prince and The Crown Princess visited the newly refurbished Lagting, the Faroese Parliament. Later, the Prime Minister of the government of

the Faroese hosted a dinner at The Nordic House, which was followed by traditional Faroese chain dance.

At Leirvik in the north, The Queen and The Prince Consort were regaled by the sound of an opera recital echoing between the cliffs. The Crown Prince and The Crown Princess visited one of the northernmost points in the Faroe Islands, the small town of Vidareidi. The parish rectory was the setting for "Barbara", the famous novel by Faroese author Jørgen Frantz-Jacobsen, and was the home of the real-life Barbara, the parson's wife Beinta. On the final evening of the visit a reception was held on board Dannebrog, which was now moored at Tórshavn.

The members of The Royal Family travelled extensively in the islands. The weather was not at its kindest on the last day, and during the visit to Gåsedalen it was almost impossible to stand up right. A final press conference was held and the Royal Party then took leave of the Faroe Islands.

### **Official Visit by the US President**

President George W. Bush and Mrs. Laura Bush paid an official visit to Denmark on 5-6 July. Only once before has an American president visited Denmark – President Bill Clinton in 1997.

The Presidential couple spent the night at Fredensborg Palace. The next day, President Bush met with the Danish Prime Minister, and The Queen and The Prince Consort later hosted a lunch at Fredensborg Palace. As it was the President's birthday, birthday cake was on the menu for dessert. There were naturally also candles to be blown out, and this task was duly accomplished by the President with a little help from The Queen.

### **With WWF in Russia**

The Prince Consort helped founding the Danish division of the World Wide Fund for Nature in 1972 and has been its President ever since. The Prince Consort also works for WWF's global organisation and headed an international WWF delegation to Krasnojarsk in Russia on 17-18 May. The delegation was received by the Governor of Krasnojarsk, who has designated an area of three million hectares a protected nature zone. The Prince Consort visited the reserve, an unspoiled area with outstanding natural qualities. On behalf of WWF International The Prince Consort presented the Governor with a diploma marking his contribution to protecting the global natural environment.

The Prince Consort's presence at a conference in Moscow and a subsequent function for Russian contributors to WWF led to concrete agreements on new initiatives to protect Russia's

natural environment, and also resulted in many financial contributions to WWF's work in Russia. Considerable interest was shown by both Russian and international media.

### **Prince Christian**

At 01.57 am on Saturday 15 October, at Rigshospitalet in Copenhagen, The Crown Prince and The Crown Princess became parents to a healthy baby boy weighing 3,500 g and measuring 51 cm. The Crown Prince was present throughout the birth. His Royal Highness Prince Christian Valdemar Henri John, Prince of Denmark, was christened on 21 January 2006 in Christiansborg Palace Chapel, and is second in line to the Throne after The Crown Prince.

A royal birth has always been surrounded by traditions and official ceremonial. Today, as in the past, important events of this kind are marked by a gun salute and by the flying of the Danish flag from public buildings, etc. At news of the birth, 21-gun salutes were fired at 12 noon from the Battery Sixtus on Holmen in Copenhagen and from Kronborg Castle in Elsinore.

### **In Brazil**

In her capacity as patron for the Olave Baden-Powell Society (OB-PS), Princess Benedikte visited Brazil 14-23 October. OB-PS is an international organisation with 730 members in 53 countries whose aims are to promote the work of girl scouting worldwide, and to enable girls to develop their fullest potential as responsible citizens of the world.

The visit started in São Paulo, continued to Porto Alegre and the capital Brasília, and finished in Rio de Janeiro. Princess Benedikte visited girl scouting activities, social projects, associations, national authorities including local governors, and the President of Brazil, Mr. Lula da Silva. Throughout her visit The Princess stressed the importance of the scouting movement for girls from all walks of life, the fellowship it creates, and the personal development it promotes.

### **Commemorative Visit from Norway**

Norway's King Harald and Queen Sonja, accompanied by Crown Prince Haakon, paid a commemorative visit to Denmark on 7-8 November. The visit marked the centenary of Norway's independence and the election by the Norwegian Parliament of Prince Carl of Denmark as Norway's future King Haakon VII. The historical background to the visit was clearly apparent in all events on the busy agenda.

With its exhibition “All for Norway!” in Christian VII’s Palace, Rosenborg Castle Museum had recreated the moment when a Norwegian delegation asked Denmark’s King Christian IX to allow Prince Carl to accede to the Norwegian Throne. The moment was immortalised by the artist Paul Fischer in a painting now on display in the Royal Palace in Oslo. The Royal Party opened the exhibition, which recreated the ceremony using 30 costumes, the coronation rug, the coronation robe and the silver lions from Rosenborg Castle. In the evening, The King and The Queen of Norway hosted a gala performance at the Royal Theatre.

The following day, the two Royal Families visited Charlottenlund Palace, childhood home of both Christian X of Denmark, the grandfather of Queen Margrethe, and King Haakon VII of Norway, the grandfather of King Harald. Charlottenlund Palace was used by The Danish Royal Family until 1935. At the invitation of The Norwegian Royal Family, lunch was then taken at Schæffergården, which is owned and operated by the Danish-Norwegian Collaboration Foundation. Afterwards, before departure for Oslo, opportunity was taken to visit the new Copenhagen Opera House. The close historical and family ties between the Royal Houses of Norway and Denmark were strongly in evidence throughout the visit.

### **With RCT to South Africa**

From 18–23 November, Princess Alexandra visited South Africa in her capacity as patron for The Rehabilitation and Research Centre for Torture Victims (RCT). The visit began in Cape Town where The Princess met with Archbishop Emeritus Desmond Tutu. After travelling to Robben Island, where Nelson Mandela spent the greater part of his imprisonment, The Princess visited a number of organisations working for reconciliation between former opponents under the apartheid regime. In Durban, The Princess attended a peace service before continuing to Stellenbosch to open an international workshop devoted to the monitoring and evaluation of psychosocial work for torture victims.

## **Tours with the Royal Yacht**

In summer, The Royal Family tours the Danish Realm on board the Royal Yacht Dannebrog, visiting towns where people at large have an opportunity to meet them.

During these tours, the members of The Royal Family meet a broad cross-section of the population and attend important events in the life of the particular town or region. The visits traditionally culminate in an evening reception on board Dannebrog.

## **Bornholm**

The first visit in 2005 was to the island of Bornholm to celebrate the 450th anniversary of Svaneke as a market town. After an official reception in the town centre, The Queen and The Prince Consort travelled by horse-tram to the old town hall to hear the story of Svaneke’s two honorary citizens, the artist Oluf Høst, whose paintings have made Bornholm famous, and Johan Nicolai Madvig, philologist and Minister for Culture, Education etc.

Bornholm is renowned for the art of glassmaking, and The Queen visited one exponent of this art, Pernille Bülow, in her workshop in Svaneke. The Queen also visited a kindergarten for disabled children (Mælkebøtten), and Sankt Ibs Kirke, a church dating from the late 12th century.

At Gudhjem Mill, The Prince Consort launched a campaign to promote Bornholm food, “Gourmet Bornholm”. The Queen and The Prince Consort later visited Østerlars Rundkirke for a concert given by local choirs. Østerlars is Bornholm’s largest round church and dates from around 1150. The day concluded with a reception on board Dannebrog.

Next morning, The Queen visited more of the island’s historical sites. A fascinating look at the newly discovered rock carvings in Sandvig was followed by a visit to the Medieval Centre of Bornholm in Østerlars for the official opening of Stormandsgård, a replica of a fortified farm belonging to a nobleman.

### **Greve, Ishøj, Vallensbæk and Brøndby**

On 7 September, the Royal Yacht made probably its shortest ever tour, anchoring off Mosede Harbour just 31 nautical miles south of Copenhagen. The four municipalities hosting the visit wished to show The Queen and The Prince Consort the diversity of their residential architecture, their demographic makeup, and the extensive recreational areas characteristic of the region south of Copenhagen. During the visit, importance was also placed on showing The Queen and The Prince Consort a selection of the area’s rich local history and cultural amenities.

## **Commercial and Cultural Promotions**

One of the Monarchy’s foremost tasks is to represent Denmark internationally. Accordingly, the members of The Royal Family are frequently the figureheads for commercial and cultural promotions abroad. The itinerary is planned in close collaboration between the Court, the Ministry of Foreign Affairs, the Ministry of Culture, and the Danish embassy in the country concerned. The presence of representatives of The Royal Family is instrumental in

focusing attention on Danish activities and promotions in the country visited.

## EXPO 2005 in Japan

In April, The Crown Prince and The Crown Princess visited Japan to promote Danish interests at EXPO 2005. The Nordic Governments had decided on a joint-Nordic presence, in the form of "Nature's Wisdom", an exhibition focused on Nordic design, tourism, environment, technology and culture. On 20 April, Expo 2005 was dedicated entirely to Denmark, and The Crown Prince and The Crown Princess spearheaded a programme of Danish initiatives together with Denmark's Minister for Economic and Business Affairs. Expo 2005 was visited by 22 million people.

While in Japan, The Crown Prince and The Crown Princess attended the inauguration of Novo Nordisk's new headquarters at Hibiya Dori. Later the same day The Crown Prince presented The Danish Export Group Association's Diploma and His Royal Highness Prince Henrik's Medal of Honour to Eijiro Matsutani, Chemical Industry Co. At the same time The Crown Princess attended the opening of the exhibition "Use it! Danish Design in Everyday Life". The visit to Japan, which covered a wide range of commercial and cultural events, lasted three days.

## Commercial Promotions in China

On 25 April, Princess Alexandra opened commercial promotions in China organised by The Danish Trade Council and The Confederation of Danish Industries. During the five-day programme, The Princess received an insight into work processes at Flexa, Sonion and Grundfos, all companies with production plants in Suzhou. On a visit to Shanghai East Container Terminal, which is operated jointly by the A.P. Møller-Mærsk Group and the Shanghai port authorities, The Princess saw logistics in action at what is the largest container terminal of its type in South China. Bang & Olufsen and IC Companys displayed Danish design in their flagship stores in Shanghai, and Jooi Design demonstrated hand embroidery techniques using gold and silk thread. As part of the Hans Christian Andersen bicentennial, The Princess opened an exhibition on paper-cuttings, "Andy Warhol and Andersen". The visit of The Princess to China was rounded off at GN Resound with a charity event for the disabled.

## Cultural Promotions in China

Textile art, music and the inauguration of a new Danish cultural institute were some of the highlights of The Prince Consort's visit to China from 16-22 September. In Beijing, The Prince Consort attended the opening of "Andersen Cultural Centre", which has a dual purpose: To promote knowledge of Danish culture, art and

society in China, and to promote knowledge of Chinese culture in Denmark. The Centre opened with exhibitions by textile designer Thea Bjerg and clothing designer Annette Meyer. In the evening, The Brass Ensemble of the Royal Danish Life Guards and the Copenhagen Boys Choir conducted by Ebbe Munk performed a gala concert in Beijing's Forbidden City.

At an official ceremony, The Prince Consort was appointed patron of the Shanghai Music Conservatory and presented music scholarships to five students. Founded in 1927, the Conservatory now has several hundred students from all over the world. The Prince Consort also laid the foundation stone for Danisco's new factory at Wuxi, and visited A.P. Møller-Mærsk's container terminal opened in 2003 at the mouth of the River Yangtse.

## Commercial Promotions in Russia

Also in September, Prince Joachim headed commercial promotions in Russia organised by the Danish Ministry of Foreign Affairs and the Danish Embassy in Moscow together with the Confederation of Danish Industries. The event ran from 19-22 September and took place in the cities of Jekaterinburg and Chelyabinsk, which lie east of the Urals.

In Jekaterinburg, 25 large and medium-sized Danish companies were represented, 19 companies being represented in Chelyabinsk. In both cities, Prince Joachim presided over the official openings and subsequently visited the company stands. The Prince's agenda also included receptions with the Governors of the Sverdlovsk and Chelyabinsk regions, meetings with other official representatives, visits to companies and universities, and opening the exhibition "Hans Christian Andersen - Life and Work".

## The Royal Orders of Chivalry

In 2005, 280 Danes were appointed Knights of the Order of Dannebrog, 95 became Knights of first class, and 49 were decorated in one of the other three classes of the Order. Four foreigners were also honoured.

An Order is usually conferred by the Sovereign in recognition of outstanding services performed in or on behalf of Denmark. Candidates are usually nominated by work places, associations or public authorities. Orders are awarded at the recommendation of the Permanent Secretary of the appropriate government department.

The Danish Royal Orders of Chivalry have a long history. The Order of the Elephant dates back to the time of Christian I in the late

15th century, and the Order of Dannebrog was instituted in 1671. The Order of the Elephant is still governed by the statutes from 1693 and is bestowed mainly on members of The Royal Family, foreign Heads of State, and individuals who have shown exceptional merit. Since the beginning of the 20th century, five Danes were decorated with the Order of the Elephant: Lieutenant General Johannes Zeuthen Schroll, Professor Vilhelm Thomsen, H.N. Andersen founder of the East Asiatic Company, the physicist Professor Niels Bohr, and shipowner Mærsk McKinney Møller. The Order has only one class, Knight of the Order of the Elephant.

Uniquely, recipients of the Order of the Elephant and Knights of Grand Cross of the Order of Dannebrog have their coats of arms inscribed in two armorials dating from 1660 and 1671, respectively. These priceless historical volumes, with their hand-painted drawings, remain in use and are updated by the Heraldic Painter. Knights of the Order of the Elephant and Knights of Grand Cross have their coats of arms displayed in Frederiksborg Castle Chapel in Hillerød.

In 1808, the Order of Dannebrog was reorganised on the lines of the French Legion of Honour. Henceforth, this Order was attainable by a wider social spectrum, as echoed in the wording of the Order's statute: "An Outward Token of Recognised Civil Merit". The Order was also divided into its present four classes. In 1817, 120 Danes were appointed Knights of the Order of Dannebrog, as compared with 280 in 2005.

## Autobiographies

All persons decorated with Royal Orders and medals are urged to submit autobiographies to The Chancery of the Orders of Chivalry. When Christiansborg Palace was destroyed by fire in 1884, the Chancery's archives were lost in the flames. Existing autobiographies therefore only date back to 1884. Now numbering some 40,000, the biographies have high cultural and historical value and are used for research, typically by genealogists and industrial historians. Specific archive users include the publishers of the Danish Biographical Lexicons.

## The Chancery of the Orders of Chivalry

The Chancery of the Orders of Chivalry, which has a small staff, is managed by a Head of Secretariat. Also attached to the Chancery are the Historiographer of the Royal Orders and the Heraldic Painter.

## The Tasks of the Monarchy

As Head of State, The Queen is a unifying focus for the people of Denmark and represents the nation internationally – a task to which all members of The Royal Family contribute. The Queen and other members of The Royal Family perform a great many representative tasks either individually or collectively. These tasks include visits from foreign Heads of State and Heads of Government, State Visits by The Queen and The Prince Consort, and other visits abroad by members of The Royal Family. During their visits to other countries, The Royal Family represents Denmark in a variety of important commercial, cultural and social contexts. Each year, The Royal Family also tours the Danish realm, opens exhibitions, attends inaugurations and celebrates other special occasions.

## Audiences

The Queen holds public audiences in Christiansborg Palace on certain Mondays during the year. On these occasions, individuals have an opportunity to thank Her Majesty The Queen for attending a particular occasion, for bestowing a Royal Order or medal, for conferring a Royal appointment, and so on. In 2005, 21 public audiences were held, one of which in The Queen's absence was presided over by The Crown Prince. In the course of the year, some 1,300 people met The Queen or The Crown Prince at public audiences.

In special cases, Heads of State, Heads of Government, foreign ministers and parliamentary delegations may be received by The Queen in private audience. In 2005, the President of Serbia and Montenegro, the Deputy Prime Minister of the People's Republic of China, the President of the Hungarian Parliament, and parliamentary delegations from Australia and Mongolia were received in this way. When a country changes ambassador, the new incumbent presents his or her credentials – the authority vested in him or her by the Head of State – at an audience with The Queen. Outgoing ambassadors are similarly received.

## Royal Patronage

The members of The Royal Family are in contact with many branches of everyday Danish life as patrons for societies, institutions and organisations, principally with charitable, humanitarian and cultural aims. Through their activities as patrons, The Royal Family is instrumental in focusing attention on the tasks performed by these bodies. Of the 300 organisations currently in receipt of Royal patronage approximately half are represented by The Queen and The Prince Consort. The members of The Royal Family also act as patrons for individual events, such as congresses, exhibitions and sporting occasions.

## Foundations

The Royal foundations provide donations for humanitarian and cultural purposes and for educational projects. The members of The Royal Family are presidents of these foundations. In 2005, donations from several Royal foundations were made to victims of the tsunami in South East Asia and the earthquake in Pakistan.

In 1972, The Queen Margrethe and Prince Henrik Foundation instituted a special award to encourage Danish scholars in humanity to continue publishing books in this area and to help focus attention on the existence of these books. In 2005, this special award, the "Amalienborg Award", was presented to Jørgen Jensen PhD for a proposed English translation and a French summary of the work "Danmarks Oldtid" (Prehistoric Denmark). The Amalienborg Medal is accompanied by a cash sum.

## New Year

Each year, The Queen addresses the nation in the New Year's speech. Over the years, The Queen has touched upon a wide variety of social, ethical and cultural issues. In the light of the tragic events resulting from the tsunami in South East Asia, the annual New Year's Banquet and annual New Year's Levees were cancelled.

## The Court

The Court supports and assists the members of The Royal Family in the planning and performance of tasks. Over the past two years the Court has been engaged in updating its organisation and methods to achieve a more streamlined, flexible and modern working structure based on broader and increased interaction. Internally, this has led to a strengthened management structure through delegation of responsibility and restructured work routines. Internal and external communication guidelines have been formulated in consultation with staff. One result of the focus on external communication was the publication in May 2005 of the first Annual Report concerning the Danish Monarchy.

The "Court" is traditionally the term used for the administration, household and staff of a Royal personage. The Danish Court is rich in tradition, has a very long history, and today employs some 140 people. The Court consists of a number of entities and associated persons.

Headed by the Lord Chamberlain, The Lord Chamberlain's Office has overall responsibility for the organisation and administration of matters relating to The Queen and The Prince Consort, and for general coordination relating to The Royal Family as a whole.

The Lord Chamberlain's Office is responsible for service and secretariat functions, planning State Visits and other important events involving The Royal Family, as well as information activities, finances and staffing.

Headed by The Queen's Private Secretary, The Private Secretary's Office is responsible for advising The Queen on constitutional issues. The Private Secretary plans The Queen's attendance at official engagements, deals with requests for patronage, and advises The Queen on all matters relating to Royal Orders and medals. The practical administration of Royal Orders is handled by The Chancery of the Orders of Chivalry.

The members of The Royal Family have traditionally been assisted not only by The Lord Chamberlain's Office but also by Royal Households. Today, The Prince Consort, The Crown Prince, The Crown Princess, Prince Joachim and Princess Benedikte, all have Royal Households. Princess Alexandra has a Secretariat.

The Queen's Military Household and the Naval Household are provided by the Ministry of Defence. The Monarchy also has certain specialist functions attached, including The Surveyor of Royal Household Furniture, The Master of the Royal Hunt and The Royal Chaplain.

All these entities work in close collaboration.

## Collective Agreement

In 2005, The Lord Chamberlain's Office, the Royal Households of The Crown Prince and The Crown Princess, and the Association of Court Employees renewed the local collective agreement dating from 2002. The new agreement will cover the period 1 April 2005 to 31 March 2008. Job categories with flexible content capable of satisfying future service requirements are a central component of the new agreement. Attention will also be paid to improved work planning and in-service training of employees.

The Lord Chamberlain's Office has placed increased focus on health and safety. Based on workplace assessments, particular attention has been directed towards workplace function and layout. Work procedures have been reorganised and new equipment procured to improve daily work routines.

## Summary of the Royal Finances

The Danish Royal Finances are presented here in summary form. The full text is contained in the Danish version of the Annual Report, which has been audited by the independent accountants KPMG C. Jespersen.

### General

The financial statements of The Civil List Annuity and the annual allowance to The Crown Prince are presented in accordance with the provisions of the Danish Financial Statements Act. Following last year's decision on publication of the Annual Report, the accounting period, which previously ran from 1 April to 31 March, has been realigned according to the calendar year. Thus, the comparative figures for 2004 cover only nine months.

### The Civil List

The annual government allowance to The Queen is laid down in The Civil List Act, as last amended in 2001.

The allowance is adjusted in accordance with movements in the pay index for state sector employees. VAT is reimbursed according to the rules that also apply for state institutions, and the reimbursement may constitute an annual (calendar year) maximum percentage of the government allowance equal to the current rate of VAT. The state has pension liabilities in respect of Court officials employed under The Civil List (employed by The Queen), and The Civil List pays pension contributions to the Ministry of Finance equivalent to the pension contribution paid by ministries and state agencies.

The government allowance covers The Queen, The Prince Consort and Princess Benedikte. The allowance is to meet expenses of The Queen and The Prince Consort, and the representative expenses of Princess Benedikte in connection with official engagements.

## The Civil List Annuity Financial highlights

1. Jan. - 31. Dec. 2005  
DKK

1. Apr. - 31. Dec. 2004  
DKK'000

### INCOME STATEMENT

<b>Income</b>		
Government allowance	61.491.155	44.626
Other income	1.370.807	1.194
	<b>62.861.962</b>	<b>45.820</b>
<b>Expenses</b>		
Staff	40.285.698	29.347
Court running expenses	6.864.589	18.500
Administration	3.354.531	2.566
Property expenses	3.871.500	2.783
Framework amount, The Queen and The Prince Consort	8.009.223	5.812
	<b>62.385.541</b>	<b>59.008</b>
<b>Income before financials</b>	<b>476.421</b>	<b>-13.188</b>
<b>Financial income</b>	<b>362.492</b>	<b>560</b>
<b>Financial expenses</b>	<b>180.960</b>	<b>17</b>
<b>Net income for the year</b>	<b>657.953</b>	<b>-12.645</b>

### Appropriation of net income

Carried forward to next year	657.953	-12.645
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### BALANCE SHEET

<b>Assets</b>		
Current assets	21.759.260	20.873
<b>Total assets</b>	<b>21.759.260</b>	<b>20.873</b>
<b>Equity and liabilities</b>		
Equity	13.512.889	12.855
Liabilities	8.246.371	8.018
<b>Total equity and liabilities</b>	<b>21.759.260</b>	<b>20.873</b>

As seen in the financial highlights, net income for the year was 0.7 DKKm, which was mainly attributable to reduced Court running expenses. Net income for the year has been transferred to equity, which at 31 December 2005 was 13.5 DKKm.

## The Crown Prince

The government allowance paid to The Crown Prince and The Crown Princess is laid down in the Act on Annual Allowance to Crown Prince Frederik of 2004. Adjustment of this allowance and VAT reimbursement follow the same principles as described for The Queen's annual government allowance.

### Annual allowance to The Crown Prince

#### Financial highlights

	1. Jan. - 31. Dec. 2005 DKK	1. Apr. - 31. Dec. 2004 DKK'000
<b>INCOME STATEMENT</b>		
<b>Income</b>		
Government allowance	15.135.828	9.765
Other income	0	10
	<b>15.135.828</b>	<b>9.775</b>
<b>Expenses</b>		
Staff	8.198.331	5.217
Court running expenses	2.397.693	1.159
Administration	564.656	408
Property expenses	616.600	4.546
Framework amount, The Crown Prince and The Crown Princess	4.133.677	3.000
	<b>15.910.957</b>	<b>14.330</b>
<b>Income before financials</b>	<b>-775.129</b>	<b>-4.555</b>
<b>Financial income</b>	<b>32.994</b>	<b>11</b>
<b>Net income for year</b>	<b>-742.135</b>	<b>-4.544</b>
<b>Appropriation of net income</b>		
To be covered by The Crown Prince	742.135	4.544
<b>BALANCE SHEET</b>		
<b>Assets</b>		
Current assets	1.878.716	6.531
<b>Total assets</b>	<b>1.878.716</b>	<b>6.531</b>
<b>Equity and liabilities</b>		
Equity	0	0
Liabilities	1.878.716	6.531
<b>Total equity and liabilities</b>	<b>1.878.716</b>	<b>6.531</b>

The accounts for 2005 are atypical in several respects. In particular, the build-up of the Royal Household and substantial travelling and representative engagements led to significant expenditure.

The net loss for the year, amounting to 0.7 DKKm, will be covered by The Crown Prince. Equity as at 31 December 2005 amounted to 0 DKK.

## Prince Joachim

The government allowance paid to Prince Joachim is laid down in the Act on Annual Allowance to Prince Joachim, as last amended in 2004. Adjustment of this allowance and VAT reimbursement follow the same principles as described for The Queen's annual government allowance.

Prince Joachim received annual allowance of 1,909,899 DKK and VAT reimbursement of 402,135 DKK. The Annual Report does not include separate accounts for The Prince.

## Princess Alexandra

The government allowance paid to Princess Alexandra is laid down in the Act on Annual Allowance to Princess Alexandra dating from 2004. Adjustment of this allowance and VAT reimbursement follow the same principles as described for The Queen's annual government allowance.

Princess Alexandra received annual allowance of 1,808,006 DKK and VAT reimbursement 452.003 DKK. The Annual Report does not include separate accounts for The Princess.

