

ALL THE PRINCE'S

There are just a few weeks to go before Prince Edward makes a bride of Sophie Rhys-Jones. But if he is suffering sleepless nights they would have little to do with the prospect of married life and more to do with the future of his struggling television company, Ardent Productions. While most businesses would have keeled over long ago, Ardent appears to have the magic touch. The company is able to carry on trading because it can draw on the seemingly bottomless pockets of its millionaire backers and the advice of a Swiss lawyer who has acted for the disgraced former president of Mexico, Carlos Salinas de Gortari. But more of him later.

Meanwhile, Edward's long-suffering investors have already sunk more than £31 million into the company — not that anyone seemed to be counting before *Punch* started totting up the figures. For that investment, they have received no dividend, arrears of which now stand at £382,000.

These people are no ordinary tycoons. They include Sir Thomas Farmer, 57, chairman of the parts dealer Kwik-Fit, worth £75 million, knighted for services to the automotive industry, and Sir Graham Kirkham, chairman of the discount furniture chain DFS, who has an estimated family fortune of £180 million. Kirkham, 52, was knighted for his charity work with the Duke of Edinburgh's Award scheme and the Animal Health Trust, and not, as his detractors would say, because of his £34 million loan to the Conservative Party while they were in government.

Prince Edward himself owns a large stake in his company. However, not all of Ardent's backing comes from such obvious sources. Some of its backers are nominee companies, which means that the ownership is hidden. A



INEXHAUSTIBLE: Kwik-Fit boss Sir Thomas Farmer (right) gave funds. The brother of former Mexico president Carlos Salinas (above) was linked to Ardent

Prince Edward's film production company bounces from crisis to crisis, but the money keeps flowing and the backers don't complain. Why? Pete Sawyer finds some very mysterious figures behind HRH

look at the share register reveals three such nominee companies — one in Hong Kong, one in Switzerland and one in Manchester. Dr Ulrich Kohli, a lawyer based in Zurich, also owns shares in the company, and his presence is intriguing. Kohli, an offshore tax specialist, has acted in the past for members of Mexico's Salinas de Gortari family, including Raul Salinas, brother of Carlos, the former Mexican president. The true story of Raul Salinas, if it could be told, would make an average episode of Ardent's latest television project, *Inspector Pitt*, look tame by comparison.

Raul Salinas stands accused by the US government's General Accounting Office of transferring millions of dollars out of Mexico into accounts in Switzerland and the UK. A report to the US Senate on the alleged money-laundering, published last October, concluded that Salinas had transferred some £63 million out of Mexico between 1992 and 1994. The money had been moved through the Cayman Islands into private investment accounts in London and Switzerland, the report claimed.

At one stage, about a year before the discovery of these secret accounts, Kohli advised a member of the Salinas family on a transfer of millions of dollars between accounts in Switzerland. Dr Kohli would not discuss his involvement with Ardent or his past associations with the Salinas family with *Punch*.

There is nothing to suggest that Kohli was aware of any money-laundering by Raul Salinas, or that any of the money was used to fund Ardent. However, it is doubtful whether the use of offshore funding with high-flying Swiss lawyers is wise or appropriate for a member of the Royal Family.

With such backing, the Prince is certainly thinking big. He has already set up several subsidiaries, apparently to protect the name Ardent. They include Ardent Films, Ardent



Television and Ardent Entertainment. All are non-trading as yet. The impressive-sounding World-wide Format Management Ltd has been set up to look after the technical aspects of running a world-wide media empire. It also appears to be non-trading. On the Isle of Man and Jersey, where offshore money lives, several other Ardents have mysteriously

appeared. In Jersey an Ardent Trustees Ltd was registered in 1995. In February, on the Isle of Man, an Ardent Enterprises was registered. From records available, we have no way of establishing if these offshore Ardents are connected. We asked Ardent, but they did not respond. Let us hope, for the sake of Prince Edward's gallant attempts to protect the valuable trading name of Ardent, that they are.

The main company, Ardent Productions, last year lost more than £333,000 on a turnover of around £3,278,000. Its subsidiary, Ardent International Sales, which handles foreign distribution of programmes, made a profit of £34,000 on a turnover of £330,000, while Ardent Communications, which makes corporate videos, made a loss of £36,500.

The Prince's plan to sell his own wedding videos through the company has come to nothing. Originally the whole wedding event was to be organised through Ardent. Profits from video sales and access to the world's media would have been donated to charity. The publicity and media connections forged by Ardent, of course, would have been priceless.

However, the Queen objected. The scheme now seems to be in confusion; not even Ardent's employees know what the deal is.

We called Ardent Productions on behalf of a foreign TV company to find out what was going on, and were told that TV filming was now being handled by Lt Col Sean O'Dwyer, the Prince's private secretary. "I really don't know the status of it," he said. "Send in a fax and someone will get back to you." We did but they didn't.

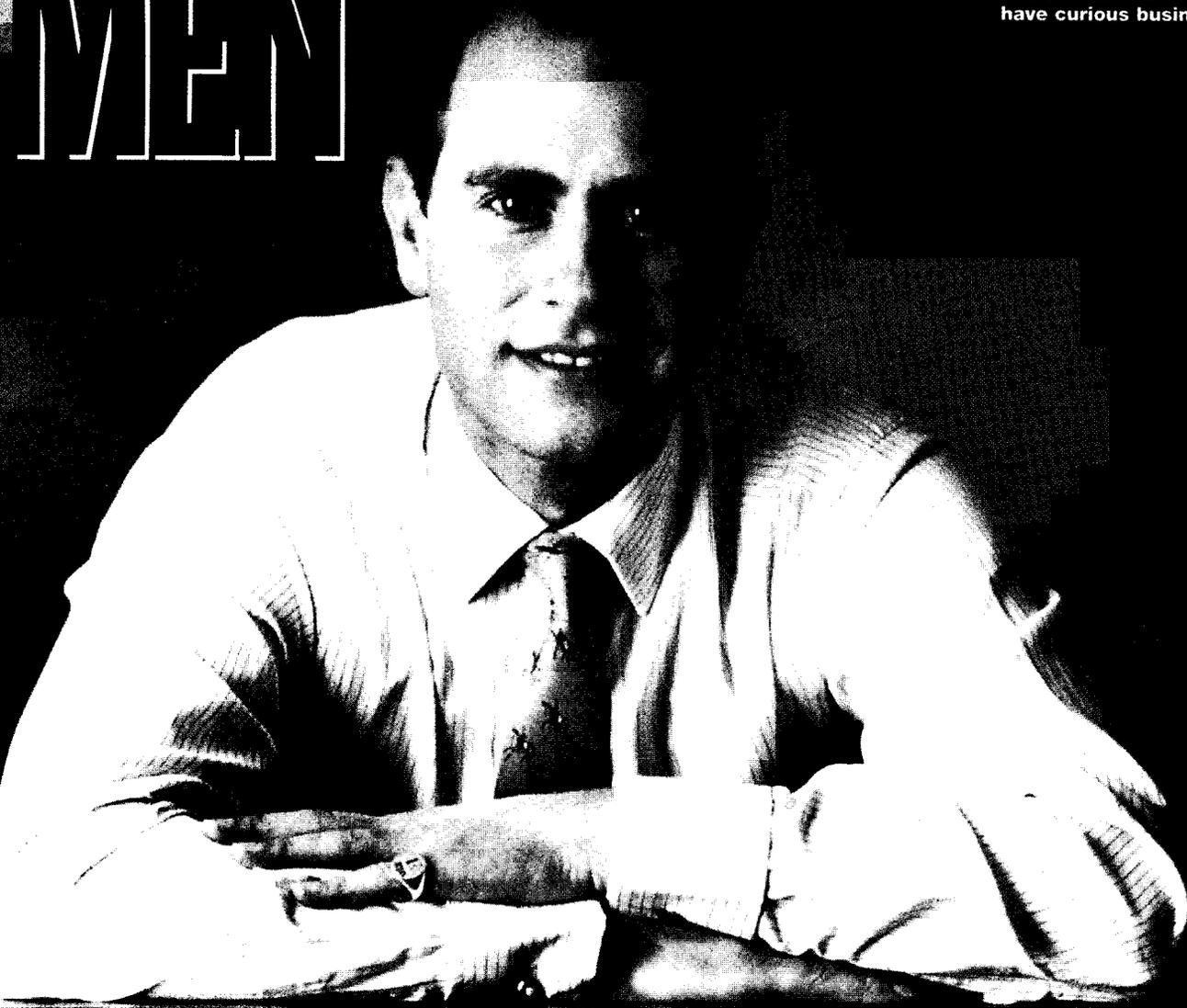
Ardent's hopes are now pinned on a series of dramas about a Victorian detective called Inspector Pitt. A pilot for the series, *The Cater Street Hangman*, was screened in Britain last September to critical acclaim.

Spurred on by the success, Ardent spent £33 million buying up the rights to another six episodes. Edward has claimed that, as a result of this deal, this year the company will have revenue of around £32 million. However, as yet there is no word from ITV's Network Centre, which commissions new series, over whether these will get the go-ahead. As *Punch* went to press, the matter was being discussed.

Despite these setbacks, Ardent's millionaire backers remain loyal. Why do they do it? Why would such immensely successful businessmen continue to back what seems to be a lame duck? We may never know the answers but there is one certainty: if Edward wants his marriage to survive he would be wise to never to take his work home. □

MEN

WHO DOES THE SCREENING?
Some of Prince Edward's backers
have curious business histories



© GUYEN



PICTURES: REXSIPA