

Financial Statements

Real World Tours Limited

For the Year Ended 31 December 2015



Registered number: 2780663

Real World Tours Limited
Registered number:2780663

Company Information

DIRECTORS	Mrs A F Goldsworthy Mr M D Large
COMPANY SECRETARY	Mr D Hatchman
REGISTERED NUMBER	2780663
REGISTERED OFFICE	Mill Lane Box Corsham Wiltshire SN13 8PL
INDEPENDENT AUDITOR	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor Hartwell House 55-61 Victoria Street Bristol BS1 6FT
BANKERS	HSBC Private Bank (UK) Limited
SOLICITORS	Sheridans

Real World Tours Limited
Registered number:2780663

Contents

	Page
Directors' report	1 - 2
Independent auditor's report	3 - 4
Statement of comprehensive income	5
Balance sheet	6
Statement of changes in equity	7
Notes to the financial statements	8 - 16

Directors' Report

For the Year Ended 31 December 2015

The directors present their report and the financial statements for the year ended 31 December 2015.

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under Company law the directors must not approve the financial statements unless satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £1,563 (2014 - £12,864).

DIRECTORS

The directors who served during the year were:

Mrs A F Goldsworthy
Mr M D Large

DISCLOSURE OF INFORMATION TO AUDITOR

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

POST BALANCE SHEET EVENTS

There have been no significant events affecting the Company since the year end.

Real World Tours Limited

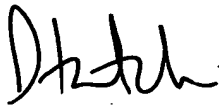
Directors' Report

For the Year Ended 31 December 2015

AUDITORS

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 15 August 2016 and signed on its behalf.

A handwritten signature in black ink, appearing to read 'D Hatchman', written over a horizontal line.

Mr D Hatchman
Secretary



Independent Auditor's Report to the Members of Real World Tours Limited

We have audited the financial statements of Real World Tours Limited for the year ended 31 December 2015, which comprise the Statement of comprehensive income, the Balance sheet, the Statement of changes in equity and the related notes. 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 Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 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 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 AUDITOR

As explained more fully in the Directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. 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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2015 and of its profit 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 Companies Act 2006.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.



Independent Auditor's Report to the Members of Real World Tours Limited

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a strategic report or to prepare financial statements in accordance with the small companies regime.

A handwritten signature in black ink, appearing to read "Grant Thornton UK LLP".

James R Morter (Senior statutory auditor)
for and on behalf of
Grant Thornton UK LLP
Statutory Auditor
Chartered Accountants
Bristol

15 August 2016

Statement of Comprehensive Income

For the Year Ended 31 December 2015

	Note	2015 £	2014 £
Turnover		117,245	6,202,988
Cost of sales		(98,648)	(5,970,119)
Gross profit		18,597	232,869
Administrative expenses		(17,035)	(220,240)
Operating profit		1,562	12,629
Interest receivable and similar income	7	1	293
Profit before tax		1,563	12,922
Tax on profit	8	-	(58)
Profit for the year		1,563	12,864
Total comprehensive income for the year		1,563	12,864

Balance Sheet

As at 31 December 2015

	Note	2015 £	2014 £
Current assets			
Debtors: amounts falling due within one year	10	552,308	575,380
Cash at bank and in hand		11,937	481,893
		<u>564,245</u>	<u>1,057,273</u>
Creditors: amounts falling due within one year	11	(573,326)	(1,067,917)
Net current assets		<u>(9,081)</u>	<u>(10,644)</u>
Total assets less current liabilities		<u>(9,081)</u>	<u>(10,644)</u>
Net assets		<u>(9,081)</u>	<u>(10,644)</u>
Capital and reserves			
Called up share capital	14	2	2
Profit and loss account	13	(9,083)	(10,646)
		<u>(9,081)</u>	<u>(10,644)</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 15 August 2016.



Mr M D Large
Director

The notes on pages 8 to 16 form part of these financial statements.

Statement of Changes in Equity

As at 31 December 2015

	Share capital	Retained earnings	Total equity
	£	£	£
At 1 January 2015	2	(10,646)	(10,644)
Comprehensive income for the year			
Profit for the year	-	1,563	1,563
Total comprehensive income for the year	-	1,563	1,563
At 31 December 2015	2	(9,083)	(9,081)

Statement of Changes in Equity

As at 31 December 2014

	Share capital	Retained earnings	Total equity
	£	£	£
At 1 January 2014	2	(23,510)	(23,508)
Comprehensive income for the year			
Profit for the year	-	12,864	12,864
Total comprehensive income for the year	-	12,864	12,864
At 31 December 2014	2	(10,646)	(10,644)

The notes on pages 8 to 16 form part of these financial statements.

Notes to the Financial Statements

For the Year Ended 31 December 2015

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

Information on the impact of first-time adoption of FRS 102 is given in note 19.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 2).

The following principal accounting policies have been applied:

1.2 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

1.3 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The Company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method. The estimated useful lives range as follows:

Depreciation is provided on the following bases:

Office and musical equipment	-	25% Straight line
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The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other operating income' in the Statement of comprehensive income.

1.4 Operating leases: Lessee

Rentals paid under operating leases are charged to the profit or loss on a straight line basis over the period of the lease.

Notes to the Financial Statements

For the Year Ended 31 December 2015

1. ACCOUNTING POLICIES (continued)

1.5 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

1.6 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

1.7 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Profit and loss account.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Notes to the Financial Statements

For the Year Ended 31 December 2015

1. ACCOUNTING POLICIES (continued)

1.8 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

1.9 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Profit and loss account except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Profit and loss account within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Profit and loss account within 'other operating income'.

1.10 Interest income

Interest income is recognised in the Profit and loss account using the effective interest method.

1.11 Taxation

Tax is recognised in the Profit and loss account, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Notes to the Financial Statements

For the Year Ended 31 December 2015

2. JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The directors have judged that no significant judgements have been made around areas that contain estimation uncertainty.

3. ANALYSIS OF TURNOVER

Analysis of turnover by country of destination:

	2015 £	2014 £
United Kingdom	71,502	446
Rest of the world	45,743	6,202,542
	<u>117,245</u>	<u>6,202,988</u>

4. OPERATING PROFIT

The operating profit is stated after charging:

	2015 £	2014 £
Exchange differences	<u>(6,777)</u>	<u>91,243</u>

During the year, no director received any emoluments (2014 - £NIL).

5. AUDITOR'S REMUNERATION

	2015 £	2014 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual accounts	<u>4,692</u>	<u>3,644</u>

6. EMPLOYEES

The Company has no employees other than the directors, who did not receive any remuneration (2014 - £NIL).

Notes to the Financial Statements

For the Year Ended 31 December 2015

7. INTEREST RECEIVABLE

	2015 £	2014 £
Other interest receivable	1	293

8. TAXATION

	2015 £	2014 £
Corporation tax		
Current tax on profits for the year	-	58
Total current tax	-	58
Taxation on profit on ordinary activities	-	58

FACTORS AFFECTING TAX CHARGE FOR THE YEAR

The tax assessed for the year is lower than (2014 - lower than) the standard rate of corporation tax in the UK of 20.249% (2014 - 20%. The differences are explained below:

	2015 £	2014 £
Profit on ordinary activities before tax	1,563	12,922
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.249% (2014 - 20%%)	316	2,584
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	153	-
Utilisation of tax losses	-	(2,526)
Short term timing difference leading to an increase (decrease) in taxation	148	-
Deferred tax not recognised	(617)	-
Total tax charge for the year	-	58

Notes to the Financial Statements

For the Year Ended 31 December 2015

9. TANGIBLE FIXED ASSETS

	Office equipment £
Cost or valuation	
At 1 January 2015	112,184
At 31 December 2015	<u>112,184</u>
Depreciation	
At 1 January 2015	112,184
At 31 December 2015	<u>112,184</u>
At 31 December 2015	<u>-</u>
At 31 December 2014	<u>-</u>

10. DEBTORS

	2015 £	2014 £
Trade debtors	-	182,588
Other debtors	547,200	244,088
Prepayments and accrued income	5,108	148,704
	<u>552,308</u>	<u>575,380</u>

Notes to the Financial Statements

For the Year Ended 31 December 2015

11. CREDITORS: Amounts falling due within one year

	2015 £	2014 £
Trade creditors	5,513	-
Corporation tax	-	58
Taxation and social security	-	93,321
Other creditors	564,313	904,683
Accruals and deferred income	3,500	69,855
	<u>573,326</u>	<u>1,067,917</u>

12. FINANCIAL INSTRUMENTS

	2015 £	2014 £
Financial assets		
Financial assets that are debt instruments measured at amortised cost	<u>547,200</u>	<u>426,681</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>(573,325)</u>	<u>(974,537)</u>

Financial assets measured at amortised cost comprise trade debtors, other debtors and cash.

Financial Liabilities measured at amortised cost comprise trade creditors, other creditors and accruals.

13. RESERVES

Profit & loss account

Profit and loss reserve - includes all current and prior period retained profits and losses.

14. SHARE CAPITAL

	2015 £	2014 £
Allotted, called up and fully paid		
2 Ordinary shares of £1 each	<u>2</u>	<u>2</u>

Notes to the Financial Statements

For the Year Ended 31 December 2015

15. CONTINGENT LIABILITIES

There were no contingent liabilities at 31 December 2015 or 31 December 2014.

16. CAPITAL COMMITMENTS

The company had no capital commitments at 31 December 2015 or 31 December 2014.

17. RELATED PARTY TRANSACTIONS

All transactions with related parties totalling over £5,000 are detailed below.

During the year, the company was invoiced £NIL (2014: £76,945) in respect of recharged charges and £NIL (2014: £200,000) for tour release fees and £NIL (2014: £12,504) for rent by Peter Gabriel Limited, of which Mr M D Large is also a director. At the year end the company owed £NIL (2014: £142,120) to Peter Gabriel Limited. This balance is included with other creditors.

During the year, the company invoiced £NIL (2014: £84,291) in respect of recharged charges to Peter Gabriel Limited, of which Mr M D Large is also a director.

The company invoiced £NIL (2014: £1,320,525) in respect of touring income and was charged £71,502 (2014: NIL) in respect of touring costs to Real World Productions Limited, a company of which Mr MD Large is also a director. The company owed £71,502 (2014: was owed £146,884) by Real World Productions Limited at the year-end. This balance is included in other creditors (debtors).

During the year, the company was invoiced £NIL (2014: £100,000) in respect of management charges by Real World Operations Limited, of which Mr MD Large is also a director. At the year end the company owed Real World Operations £NIL (2014: £60,000).

At 31 December 2015, the company owed to Real World Music Limited, of which Mr P B Gabriel and Mr M D Large are also directors, £NIL (2014: £250,000). This balance is included in other creditors.

At 31 December 2015, the company owed to WOMAD International Limited of which Mr P B Gabriel and Mr M D Large are also directors, £NIL (2013: £7,683). This balance is included in other creditors.

At 31 December 2015, the company was owed by Real World Trading Limited of which Mr P B Gabriel and Mr M D Large are also directors, £NIL (2014: £44,091). This balance is included in other creditors.

During the year, Real World Records Limited, a company in which Mr MD Large is also a director, received £NIL (2014: £103,587) in ticket income.

During the year, the company invoiced £71,502 (2014: £NIL) in respect of tour recharges to P B Gabriel. At the year end £71,502 (2014: £NIL) was owed to the company.

18. CONTROLLING PARTY

Mrs A F Goldsworthy is the company's controlling party by virtue of majority shareholding.

Notes to the Financial Statements

For the Year Ended 31 December 2015

19. FIRST TIME ADOPTION OF FRS 102

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.