

# Financial Statements Real World Tours Limited

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**For the year ended 31 December 2012**

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COMPANIES HOUSE

**Registered number: 2780663**

## Company Information

<b>Registered number</b>	2780663
<b>Registered office</b>	Mill Lane Box Corsham Wiltshire SN13 8PL
<b>Directors</b>	Mrs A F Goldsworthy Mr M D Large
<b>Company secretary</b>	Mr D Hatchman
<b>Bankers</b>	HSBC Private Bank (UK) Limited
<b>Solicitors</b>	Sheridans
<b>Independent auditor</b>	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor Hartwell House 55-61 Victoria Street Bristol BS1 6FT

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## **Directors' Report**

**For the year ended 31 December 2012**

The directors present their report and the financial statements for the year ended 31 December 2012

### **Principal activities**

The principal activity of the company during the year was the production of Peter Gabriel's touring activities and the hire of stage and equipment

### **Directors**

The directors who served during the year were

Mrs A F Goldsworthy  
Mr M D Large

### **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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable laws). Under company law the directors must not approve the financial statements unless they are 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,
- 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.

### **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.

**Real World Tours Limited**

## **Directors' Report**


**For the year ended 31 December 2012**

### **Auditor**

Under section 487(2) of the Companies Act 2006, Grant Thornton UK LLP, will be deemed to have been reappointed as auditor 28 days after these financial statements were sent to the members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006

This report was approved by the board on 20 September 2013 and signed on its behalf by



**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 2012, which comprise the Profit and loss account, the Balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 (APB'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 Auditing Practices Board's website at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm).

### **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 2012 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, 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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Directors' report

*Grant Thornton UK LLP*

Mark L Aldridge (Senior statutory auditor)  
for and on behalf of  
Grant Thornton UK LLP  
Chartered Accountants  
Statutory Auditor  
Bristol

20 September 2013

## Profit and Loss Account

For the year ended 31 December 2012

	Note	2012 £	2011 £
<b>Turnover</b>	1,2	<b>5,486,929</b>	2,503,352
Cost of sales		<b>(5,226,334)</b>	(2,416,018)
<b>Gross profit</b>		<b>260,595</b>	87,334
Administrative expenses		<b>(260,714)</b>	(109,083)
<b>Operating loss</b>	3	<b>(119)</b>	(21,749)
Interest receivable and similar income		<b>370</b>	302
Interest payable and similar charges		<b>(53)</b>	(13)
<b>Profit/(loss) on ordinary activities before taxation</b>		<b>198</b>	(21,460)
Tax on profit/(loss) on ordinary activities	4	<b>1,562</b>	-
<b>Profit/(loss) for the financial year</b>	12	<b>1,760</b>	(21,460)

The notes on pages 7 to 11 form part of these financial statements



## Balance Sheet

As at 31 December 2012

	Note	£	2012 £	£	2011 £
<b>Fixed assets</b>					
Tangible assets	5		-		-
<b>Current assets</b>					
Debtors	6	1,502,171		773,950	
Cash at bank and in hand		568,684		237,743	
		<u>2,070,855</u>		<u>1,011,693</u>	
<b>Creditors:</b> amounts falling due within one year	7	<u>(2,085,906)</u>		<u>(1,028,504)</u>	
<b>Net current liabilities</b>			<u>(15,051)</u>		<u>(16,811)</u>
<b>Net liabilities</b>			<u>(15,051)</u>		<u>(16,811)</u>
<b>Capital and reserves</b>					
Called up share capital	11		2		2
Profit and loss account	12		<u>(15,053)</u>		<u>(16,813)</u>
<b>Shareholders' deficit</b>			<u>(15,051)</u>		<u>(16,811)</u>

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 20 September 2013 by



**Mr M D Large**  
Director

The notes on pages 7 to 11 form part of these financial statements

# Notes to the Financial Statements

For the year ended 31 December 2012

## **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 the Financial Reporting Standard for Smaller Entities (effective April 2008)

### **1.2 Going concern**

The directors report a net profit for the financial year of £1,760, however, the balance sheet shows a net deficit position as at 31 December 2012. Taking into account post year end trading and current cash flow forecasts, the directors consider it appropriate to prepare the financial statements on the going concern basis.

### **1.3 Cash flow**

The financial statements do not include a Cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard for Smaller Entities (effective April 2008).

### **1.4 Turnover**

Turnover represents performance related income due in the year, including advances, excluding value added tax. Performance income is recognised in the Profit and Loss account on completion of the agreed performance. Advances are deferred until the period in which the associated tour takes place.

### **1.5 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Office and musical equipment      -      25% Straight line

### **1.6 Foreign currencies**

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Profit and Loss account.

## **2. Turnover**

91.0% of the company's turnover (2011 - 77.4%) is attributable to geographical markets outside the United Kingdom.

# Notes to the Financial Statements

For the year ended 31 December 2012

## 3. Operating loss

The operating loss is stated after charging

	2012	2011
	£	£
Auditor's remuneration	3,861	4,591
Difference on foreign exchange	2,025	33,453

During the year, no director received any emoluments (2011 - £NIL)

## 4. Taxation

	2012	2011
	£	£
UK corporation tax (credit)/charge on profit/loss for the year	(1,562)	-

## 5. Tangible fixed assets

	Office equipment £
<b>Cost</b>	
At 1 January 2012 and 31 December 2012	112,184
<b>Depreciation</b>	
At 1 January 2012 and 31 December 2012	112,184
<b>Net book value</b>	
At 31 December 2012	-
At 31 December 2011	-

## 6. Debtors

	2012	2011
	£	£
Trade debtors	126,675	2,654
Prepayments and accrued income	56,070	6,937
VAT recoverable	375,694	278,687
Other debtors	943,732	485,672
	1,502,171	773,950

## Notes to the Financial Statements

For the year ended 31 December 2012

**7. Creditors:**

**Amounts falling due within one year**

	2012	2011
	£	£
Trade creditors	1,463,534	588,012
Accruals and deferred income	257,667	438,297
Other creditors	364,705	2,195
	<u>2,085,906</u>	<u>1,028,504</u>

**8. Capital commitments**

The company had no capital commitments at 31 December 2012 or 31 December 2011

**9. Contingent liabilities**

There were no contingent liabilities at 31 December 2012 or 31 December 2011

## Notes to the Financial Statements

For the year ended 31 December 2012

### 10. Related party transactions

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

During the year, the company was invoiced £11,913 (2011 £54,212) in respect of recharges, £23,025 (2011 £28,020) for salary recharges and £306,464 (2011 £100,000) for tour release fees by Peter Gabriel Limited, of which Mr M D Large is also a director. At the year end the company owed £306,464 (2011 £119,678) to Peter Gabriel Limited. This balance is included with other creditors.

During the year, the company was invoiced £NIL (2011 £24,000) in respect of studio and consumables by Real World Productions Limited, of which Mr M D Large is also a director. The company made a provision of £NIL (2011 £300,000) for tour income. The company invoiced £115,893 (2011 £NIL) in respect of recharged costs and £259,516 in respect of tour production costs. The company was owed £462,586 (2011 £338,698) by Real World Productions Limited at the year-end. This balance is included in other debtors.

During the year, the company was invoiced £NIL (2011 £60,000) in respect of management charges by Real World Holdings Limited, of which Mr M D Large is also a director.

During the year, the company was invoiced £100,000 (2011 £40,000) in respect of management charges and £6,778 (2011 £NIL) in recharged costs by Real World Operations Limited, of which Mr M D Large is also a director.

During the year, the company was invoiced £NIL (2011 £93,000) in respect of recharge costs and licence by Real World Music Limited, of which Mr P B Gabriel and Mr M D Large are also directors. At 31 December 2012, the company owed to Real World Music Limited, £31,351 (2011 £89,760). This balance is included in other creditors.

During the year, the company invoiced £NIL (2011 £160,000) in respect of management charges to PG Productions Limited, of which Mr M D Large is also a director.

During the year, the company was invoiced £6,471 (2011 £35,095) in respect of studio and consumables on projects undertaken by Real World Studios Limited, of which Mr M D Large is also a director. At 31 December 2012 the company owed £6,471 to Real World Studios Limited. This balance is included in other creditors.

During the year, Real World Records Limited, a company in which Mr M D Large is also a director, received £252,308 (2011 £NIL) in ticket income. At 31 December 2012, the company was owed £126,370 (2011 £NIL) by Real World Records Limited.

At 31 December 2012, the company owed £17,953 (2011 £NIL) to Womad Limited. This balance is included in other creditors.

During the year, the company invoiced £503,180 (2011 £393,832) in respect of management fees and £922,362 (2011 £432,126) of recharged costs to Real World Inc, a related party by common ownership. The company was invoiced £210,342 (2011 £Nil) in respect of recharged costs by Real World Inc. At 31 December 2012, the company was owed £471,919 (2011 £Nil) by Real World Inc and the company owed Real World Inc £NIL (2011 £2,191).

## Notes to the Financial Statements

For the year ended 31 December 2012

### 11. Share capital

	2012	2011
	£	£
Allotted, called up and fully paid		
2 Ordinary share shares of £1 each	2	2

### 12. Reserves

	Profit and loss account £
At 1 January 2012	(16,813)
Profit for the financial year	1,760
At 31 December 2012	(15,053)

### 13. Ultimate parent undertaking and controlling party

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