

# Financial Statements Real World Tours Limited

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For the year ended 31 December 2011



Registered number: 2780663

## Company Information

<b>Company 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>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 2011**

The directors present their report and the financial statements for the year ended 31 December 2011

## **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.

## **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

## **Provision 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 information needed by the company's auditor in connection with preparing its report and to establish that the company's auditor is aware of that information.

## **Directors' Report**

**For the year ended 31 December 2011**

### **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 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 26 September 2012 and signed on its behalf



**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 2011, 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 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 2011 and of its loss 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

26 September 2012

# Profit and Loss Account

For the year ended 31 December 2011

	Note	2011 £	2010 £
Turnover	1,2	2,503,352	5,194,066
Cost of sales		<u>(2,416,018)</u>	<u>(5,134,362)</u>
<b>Gross profit</b>		<b>87,334</b>	<b>59,704</b>
Administrative expenses		<u>(109,083)</u>	<u>(46,024)</u>
<b>Operating (loss)/profit</b>	3	<b>(21,749)</b>	<b>13,680</b>
Interest receivable and similar income		302	1,246
Interest payable and similar charges		<u>(13)</u>	<u>-</u>
<b>(Loss)/profit on ordinary activities before taxation</b>		<b>(21,460)</b>	<b>14,926</b>
Tax on (loss)/profit on ordinary activities	4	<u>-</u>	<u>(1,610)</u>
<b>(Loss)/profit for the financial year</b>	12	<b><u>(21,460)</u></b>	<b><u>13,316</u></b>

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



## Balance Sheet

As at 31 December 2011

	Note	£	2011 £	£	2010 £
<b>Current assets</b>					
Debtors	6	773,950		959,503	
Cash at bank		237,743		580,532	
		<u>1,011,693</u>		<u>1,540,035</u>	
<b>Creditors: amounts falling due within one year</b>	7	<u>(1,028,504)</u>		<u>(1,535,386)</u>	
<b>Net current (liabilities)/assets</b>			<u>(16,811)</u>		4,649
<b>Total assets less current liabilities</b>			<u>(16,811)</u>		<u>4,649</u>
<b>Capital and reserves</b>					
Called up share capital	11		2		2
Profit and loss account	12		<u>(16,813)</u>		<u>4,647</u>
<b>Shareholders' (deficit)/funds</b>			<u>(16,811)</u>		<u>4,649</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 26 September 2012



**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 2011

## 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 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.

### 1.3 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

### 1.4 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

77.4% of the company's turnover (2010 - 99.8%) is attributable to geographical markets outside the United Kingdom.

## 3. Operating (loss)/profit

The operating (loss)/profit is stated after charging/(crediting)

	2011 £	2010 £
Auditors' remuneration	4,591	4,825
Difference on foreign exchange	33,453	(22,499)
	<hr/>	<hr/>

During the year, no director received any emoluments (2010 - £NIL)

# Notes to the Financial Statements

For the year ended 31 December 2011

## 4. Taxation

	2011	2010
	£	£
UK corporation tax charge on (loss)/profit for the year	-	1,610

## 5. Tangible fixed assets

	Office and musical equipment £
<b>Cost</b>	
At 1 January 2011 and 31 December 2011	112,183
<b>Depreciation</b>	
At 1 January 2011 and 31 December 2011	112,183
<b>Net book value</b>	
At 31 December 2011	-
At 31 December 2010	-

## 6. Debtors

	2011	2010
	£	£
Trade debtors	2,654	-
Prepayments and accrued income	6,937	108,696
VAT	278,687	-
Other debtors	485,672	850,807
	773,950	959,503

## Notes to the Financial Statements

For the year ended 31 December 2011

**7. Creditors:**

**Amounts falling due within one year**

	2011	2010
	£	£
Trade creditors	317,339	361,561
Amounts owed to group undertakings	-	118
Corporation tax	-	1,610
Accruals and deferred income	438,297	1,073,938
Other creditors	272,868	98,159
	<u>1,028,504</u>	<u>1,535,386</u>

**8. Capital commitments**

The company had no capital commitments at 31 December 2011 or 31 December 2010

**9. Contingent liabilities**

There were no contingent liabilities at 31 December 2011 or 31 December 2010

# Notes to the Financial Statements

For the year ended 31 December 2011

## 10. Related party transactions

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

During the year, the company was invoiced by Peter Gabriel Limited, a company of which Mr M D Large is also a director, £54,212 (2010 £30,869) in respect of recharged expenses and £28,020 (2010 £21,514) for salary recharges and £100,000 (2010 £250,000) for tour release fees

During the year, the company was invoiced by Real World Productions Limited, a company of which Mr M D Large is also a director, £24,000 (2010 £NIL) in respect of studio and consumables. The company made a provision of £300,000 (2010 £NIL) for tour income. The company owed Real World Productions Limited £338,698 at the year end

During the year, the company was invoiced by Real World Holdings Limited, a company of which Mr M D Large is also a director, £60,000 (2010 £100,000) in respect of management charges. Furthermore, Real World Holdings Limited received cash for ticket sales on behalf of the company totalling £NIL (2010 £231,747)

During the year, the company was invoiced by Real World Operations Limited, a company of which Mr M D Large is also a director, £40,000 (2010 £NIL) in respect of management charges

During the year, the company was invoiced £93,000 (2010 £1,110,174) in respect of recharged costs and license by Real World Music Limited, of which Mr P B Gabriel and Mr M D Large are also directors

During the year, the company invoiced PG Productions Limited, a company of which Mr M D Large is also a director, £160,000 (2010 £NIL) in respect of management charges

During the year, the company was invoiced £35,095 (2010 £40,544) in respect of studio and consumables on projects undertaken by Real World Studios Limited, a company of which Mr M D Large is also a director. There was no balance outstanding at the year end

During the year, the company invoiced £NIL (2010 £7,999) in respect of recharged costs to Womad Limited, a company of which Mr M D Large is also a director

At 31 December 2011, the company had the following balances owed to and from related parties

	2011 Debtor £	2011 Creditor £
Peter Gabriel Limited	1,235	120,913
Real World Holdings Limited	-	60,000
Real World Records Limited	57	-
PG Productions Limited	133,327	-
Real World Music Limited	-	89,760
	<u>134,622</u>	<u>270,673</u>

# Notes to the Financial Statements

For the year ended 31 December 2011

## 11. Share capital

	2011 £	2010 £
Allotted, called up and fully paid		
2 Ordinary share shares of £1 each	<u>2</u>	<u>2</u>

## 12. Reserves

	Profit and loss account £
At 1 January 2011	4,647
Loss for the year	<u>(21,460)</u>
At 31 December 2011	<u>(16,813)</u>

## 13. Controlling party

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