

Real World Tours Limited

Financial statements

For the year ended 31 December 2006

Grant Thornton 

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COMPANIES HOUSE

Company No. 2780663

Company information

Company registration number	2780663
Registered office	Mill Lane Box Corsham Wiltshire SN14 9PL
Directors	Mrs A F Goldsworthy Mr M D Large
Secretary	Ms K H Gumm
Bankers	HSBC Private Bank (UK) Limited
Solicitors	Sheridans
Auditor	Grant Thornton UK LLP Chartered Accountants Registered Auditors 43 Queen Square BRISTOL BS1 4QR

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Report of the directors

The directors present their report and the financial statements of the company for the year ended 31 December 2006.

Principal activities and business review

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

There was no tour activity during the year.

Results and dividends

The loss for the year amounted to £560. The directors have not recommended a dividend.

Financial risk management objectives and policies

The company uses various financial instruments and these include cash and various items, such as trade debtors and trade creditors that arise directly from its operations.

The existence of these financial instruments exposes the company to a number of financial risks, which are described in more detail below.

The main risks arising from the group's financial instruments are credit risk and liquidity risk. The directors review and agree policies for managing each of these risks and they are summarised below. These policies have remained unchanged from previous years.

Liquidity risk

The company seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably.

Credit risk

The company's principal financial assets are cash and trade debtors. The credit risk associated with cash is limited. The principal credit risk arises therefore from its trade debtors

In order to manage credit risk on non-contractual payments the directors make judgements on customers based on a previous payment history and experience and also obtain advance payments where necessary.

Directors

The directors who served the company during the year were as follows:

Mrs A F Goldsworthy
Mr M D Large

Directors' responsibilities

The directors are responsible for preparing the Annual 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 Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The financial statements are required by law to 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 judgements and 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 proper accounting records that 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 1985. 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.

In so far as the directors are aware:

- there is no relevant audit information of which the company's auditors are unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Auditor

Grant Thornton UK LLP offer themselves for reappointment as auditors in accordance with section 385 of the Companies Act 1985.

ON BEHALF OF THE BOARD



M D Large
Director

15 OCTOBER 2007

Report of the independent auditor 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 2006 which comprise the principal accounting policies, profit and loss account, balance sheet and notes 1 to 17. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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

The directors' responsibilities for preparing the Report of the Directors and the financial statements in accordance with United Kingdom law and Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Report of the Directors is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Report of the Directors and consider the implications for our report if we become aware of any apparent misstatements within it.

Report of the independent auditor to the members of Real World Tours Limited (continued)

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2006 and of its loss for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Report of the Directors is consistent with the financial statements.

GRANT THORNTON UK LLP
REGISTERED AUDITORS
CHARTERED ACCOUNTANTS

Grant Thornton UK LLP

15 October 2007

Principal accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention.

The principal accounting policies of the company have remained unchanged from the previous year and are set out below.

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is small.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

Fixed assets

All fixed assets are initially recorded at cost.

Tangible fixed assets and depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows.

Office and musical equipment	25% straight line
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Foreign currencies

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. All other exchange differences are dealt with through the profit and loss account.

Profit and loss account

	Note	2006 £	2005 £
Turnover	1	7,310	6,424
Cost of sales		(6,852)	(7,188)
Gross profit/(loss)		458	(764)
Other operating charges	2	(1,175)	2,708
Operating (loss)/profit	3	(717)	1,944
Interest receivable	5	157	2,700
Interest payable and similar charges	6	-	(60)
(Loss)/profit on ordinary activities before taxation		(560)	4,584
Tax on (loss)/profit on ordinary activities	7	-	356
(Loss)/profit for the financial year	15	(560)	4,940

All of the activities of the company are classed as continuing.

The company has no recognised gains or losses other than the results for the year as set out above.

Balance sheet

	Note	2006 £	2005 £
Fixed assets			
Tangible assets	8	—	—
Current assets			
Debtors	9	2,056	9,335
Cash at bank		15,373	14,079
		<u>17,429</u>	<u>23,414</u>
Creditors: amounts falling due within one year	10	22,180	27,605
Net current liabilities		<u>(4,751)</u>	<u>(4,191)</u>
Total assets less current liabilities		<u>(4,751)</u>	<u>(4,191)</u>
Capital and reserves			
Called-up equity share capital	14	2	2
Profit and loss account	15	(4,753)	(4,193)
Deficit	16	<u>(4,751)</u>	<u>(4,191)</u>

These financial statements were approved by the directors on 15.10.2007 and are signed on their behalf by:

Mr M D Large
Director



Notes to the financial statements

1 Turnover

The turnover and profit/(loss) before taxation are attributable to the continuing activity of the production of Peter Gabriel's touring activities outside of North America and the hire of stage and equipment. An analysis of turnover is given below:

	2006 £	2005 £
United Kingdom	<u>7,310</u>	<u>6,424</u>

2 Other operating charges

	2006 £	2005 £
Administrative expenses	<u>1,175</u>	<u>(2,708)</u>

3 Operating (loss)/profit

Operating (loss)/profit is stated after charging/(crediting):

	2006 £	2005 £
Auditor's remuneration:		
Audit fees	1,000	1,000
Net loss/(profit) on foreign currency translation	<u>66</u>	<u>(121)</u>

4 Directors and employees

There were no employees of the company during the year, other than the directors who received no remuneration (2005: £nil).

5 Interest receivable

	2006 £	2005 £
Bank interest receivable	<u>157</u>	<u>2,700</u>

6 Interest payable and similar charges

	2006	2005
	£	£
Other similar charges payable	<u>-</u>	<u>60</u>

7 Taxation on ordinary activities

(a) Analysis of charge in the year

	2006	2005
	£	£
Current tax:		
Corporation tax	-	-
(Over)/under provision in prior year	-	(356)
Total current tax	<u>-</u>	<u>(356)</u>

(b) Factors affecting current tax charge

The tax assessed on the (loss)/profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 30% (2005 - 19%).

	2006	2005
	£	£
(Loss)/profit on ordinary activities before taxation	<u>(560)</u>	<u>4,584</u>
(Loss)/profit on ordinary activities by rate of tax	(168)	871
Expenses not deductible for tax purposes	-	12
Capital allowances in excess of depreciation	(62)	(53)
Movement in losses	230	-
Adjustments to tax charge in respect of previous periods	-	(356)
Small company exemption	-	(830)
Total current tax (note 7(a))	<u>-</u>	<u>(356)</u>

8 Tangible fixed assets

	Office and musical equipment £
Cost	
At 1 January 2006 and 31 December 2006	<u>112,184</u>
Depreciation	
At 1 January 2006 and 31 December 2006	<u>(112,184)</u>
Net book value	
At 31 December 2006	-
At 31 December 2005	-

9 Debtors

	2006	2005
	£	£
Trade debtors	2,056	-
Other debtors	-	3,661
Prepayments and accrued income	-	5,674
	<u>2,056</u>	<u>9,335</u>

10 Creditors: amounts falling due within one year

	2006	2005
	£	£
Amounts owed to related parties	15,000	20,925
VAT	28	-
Accruals and deferred income	7,152	6,680
	<u>22,180</u>	<u>27,605</u>

11 Capital commitments

The company had no capital commitments at 31 December 2006 or 31 December 2005.

12 Contingent liabilities

There were no contingent liabilities at 31 December 2006 or 31 December 2005.

13 Related party transactions

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

At 31 December 2006 the company owed Peter Gabriel Limited, of which Mr M D Large is also a director, £15,000 (2005: £20,925). This amount is disclosed within the amounts owed to related parties.

14 Share capital

Authorised share capital.

	2006	2005
	£	£
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

Allotted, called up and fully paid:

	2006		2005	
	No	£	No	£
Ordinary shares of £1 each	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

15 Profit and loss account

	2006	2005
	£	£
Balance brought forward	(4,193)	(9,133)
(Loss)/profit for the financial year	(560)	4,940
Balance carried forward	<u>(4,753)</u>	<u>(4,193)</u>

16 Reconciliation of movements in shareholders' funds

	2006	2005
	£	£
(Loss)/Profit for the financial year	(560)	4,940
Opening shareholders' deficit	<u>(4,191)</u>	<u>(9,131)</u>
Closing shareholders' deficit	<u>(4,751)</u>	<u>(4,191)</u>

17 Controlling related party

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