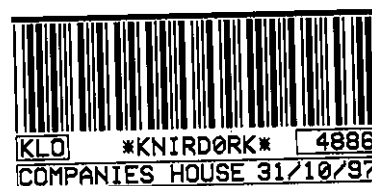


# Real World Tours Limited

## FINANCIAL STATEMENTS

for the year ended

31 December 1996



# Real World Tours Limited

## DIRECTORS AND OFFICERS

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### DIRECTORS

MD Large  
HS Kullar  
AF Goldsworthy

### SECRETARY

Mrs K Gumm

### COMPANY NUMBER

2780663 (England and Wales)

### REGISTERED OFFICE

Box Mill  
Mill Lane  
Box  
Corsham  
Wiltshire SN13 9PL

### AUDITORS

Baker Tilly  
Chartered Accountants  
2 Bloomsbury Street  
London WC1B 3ST

# Real World Tours Limited

## DIRECTORS' REPORT

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The directors submit their report and the financial statements of Real World Tours Limited for the year ended 31 December 1996.

### PRINCIPAL ACTIVITIES

The principal activity of the company during the year was the production of Peter Gabriel's touring activities outside of North America.

### REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS

No tours were undertaken during 1996.

### RESULTS AND DIVIDENDS

The trading loss for the year after taxation was £20,067 (1995: Loss £13,219).

The directors do not recommend the payment of a dividend.

### DIRECTORS

The following directors have held office since 1 January 1996:-

MD Large	(appointed 15 January 1996)
HS Kullar	(appointed 15 January 1996)
AF Goldsworthy	
D Stephen	(resigned 19 March 1996)

### DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

Directors' interests in the shares of the company, including family interests, were as follows:

		<i>Ordinary shares of £1 each</i>	
		31.12.96	31.12.95
MD Large	(appointed 15 January 1996)	-	-
HS Kullar	(appointed 15 January 1996)	-	-
AF Goldsworthy		1	1
D Stephen	(resigned 19 March 1996)	-	-

### AUDITORS

A resolution to reappoint Baker Tilly, Chartered Accountants, as auditors will be put to the members at the annual general meeting.

By order of the board

*R. Gwynn* 30/10/97  
Secretary

# Real World Tours Limited

## DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

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Company law requires the directors to prepare financial statements for each financial year which 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 those financial statements, the directors are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and estimates that are reasonable and prudent;
- c. 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 which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the requirements of 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.

## AUDITORS' REPORT TO THE MEMBERS OF REAL WORLD TOURS LIMITED

We have audited the financial statements on pages 5 to 10.

### Respective responsibilities of directors and auditors

As described on page 3 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

### Basis of opinion

We conducted our audit in accordance with Auditing Standards 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 of the state of the company's affairs at 31 December 1996 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Registered Auditor  
Chartered Accountants  
2 Bloomsbury Street  
London WC1B 3ST

30/10/97

# Real World Tours Limited

## PROFIT AND LOSS ACCOUNT

for the year ended 31 December 1996

	<i>Notes</i>	1996 £	1995 £
TURNOVER	1	-	-
Cost of sales		(1,000)	(6,719)
Other income		15,510	25,925
Gross profit		14,510	19,206
Administrative expenses		(34,711)	(41,889)
OPERATING LOSS		(20,201)	(22,683)
Investment income		2,337	9,464
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION	2	(17,864)	(13,219)
Taxation	4	(2,203)	-
RETAINED LOSS ON ORDINARY ACTIVITIES AFTER TAXATION	9	(20,067)	(13,219)

The operating loss for the year arises from the company's continuing operations.

No separate statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been dealt with in the profit and loss account.

The retained loss for the year represents the company's historical cost loss.

# Real World Tours Limited

## BALANCE SHEET

31 December 1996

	Notes	1996 £	1995 £
<b>FIXED ASSETS</b>			
Tangible assets	5	2,633	30,679
<b>CURRENT ASSETS</b>			
Debtors	6	404,991	432,460
Cash at bank and in hand		9,626	225,113
		<u>414,617</u>	<u>657,573</u>
CREDITORS: Amounts falling due within one year	7	450,534	701,469
NET CURRENT LIABILITIES		<u>(35,917)</u>	<u>(43,896)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(33,284)</u>	<u>(13,217)</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	8	2	2
Profit and loss account	9	(33,286)	(13,219)
Shareholders' funds	10	<u>(33,284)</u>	<u>(13,217)</u>

Approved by the board on

Director



30/10/97

# Real World Tours Limited

## ACCOUNTING POLICIES

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### BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention in accordance with applicable accounting standards.

### TANGIBLE FIXED ASSETS

Fixed assets are stated at historical cost.

Depreciation is provided on all tangible fixed assets at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows:-

Office and music equipment

25% straight line

### TURNOVER

Turnover represents the invoiced value, net of Value Added Tax, of goods sold and services provided to customers.

### FOREIGN CURRENCIES

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling and the balance sheet date. All differences are taken to the profit and loss account.



**Real World Tours Limited**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 31 December 1996

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**1 TURNOVER AND LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION**

The company's turnover and loss before taxation were all derived from its principal activity.

	1996	1995
	£	£

**2 LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION**

Loss on ordinary activities before taxation is stated after  
charging/(crediting):

Depreciation and amounts written off tangible fixed assets:

Charge for the year:

owned assets	28,046	28,046
Auditors' remuneration	2,000	2,500

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	1996	1995
	No.	No.

**3 EMPLOYEES**

The average weekly number of persons (including directors) employed by  
the company during the year was:

Office and management	3	2
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	1996	1995
	£	£

Staff costs for the above persons:

Wages and salaries	-	-
Social security costs	-	-
	Nil	Nil

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**DIRECTORS' REMUNERATION**

Directors' emoluments	Nil	Nil
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	1996	1995
	£	£

**4 TAXATION**

Based on the result for the year:

UK corporation tax at 24% (1995: 25%)	236	-
Underprovided in earlier years	1,967	-
	2,203	-

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**Real World Tours Limited**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 31 December 1996

5	TANGIBLE FIXED ASSETS	<i>Office and music equipment</i>	
		£	
	Cost:		
	1 January 1996 and at 31 December 1996		112,184
	Depreciation		
	1 January 1996		81,505
	Charged in the year		28,046
	31 December 1996		109,551
	Net book value		
	31 December 1996		2,633
	31 December 1995		30,679
6	DEBTORS	1996	1995
		£	£
	Due within one year:		
	Trade debtors	4,147	4,888
	Corporation tax	214	-
	Other debtors	400,630	427,572
		404,991	432,460
7	CREDITORS: Amounts falling due within one year	1996	1995
		£	£
	Corporation tax	1,641	-
	Other taxation and social security	569	-
	Other creditors	446,324	683,830
	Accruals	2,000	17,639
		450,534	701,469
8	SHARE CAPITAL	1996	1995
		£	£
	Authorised:		
	100 ordinary shares of £1 each	100	100
	Allotted, issued and fully paid:		
	2 ordinary shares of £1 each	2	2

# Real World Tours Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 1996

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9	PROFIT AND LOSS ACCOUNT	1996 £	1995 £
	1 January 1996	(13,219)	-
	Loss for the financial year	(20,067)	(13,219)
	31 December 1996	<u>(33,286)</u>	<u>(13,219)</u>
10	RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS	1996 £	1995 £
	Loss for the financial year	(20,067)	(13,219)
	Opening shareholders' funds	(13,217)	2
	Closing shareholders' funds	<u>(33,284)</u>	<u>(13,217)</u>

### 11 RELATED PARTY TRANSACTIONS

At 31 December 1996 the company was due £1,717 (1995: £1,717) from Real World Multimedia Limited of which Mr MD Large and Mr HS Kullar are also directors.

At 31 December 1996 the company was due £45,036 (1995: £55,036) from Real World Productions Limited of which Mr HS Kullar is also a director.

At 31 December 1996 the company owed £446,324 (1995: £683,830) to Peter Gabriel Limited of which Mr MD Large and Mr HS Kullar are also directors.