



Financial statements Real World Tours Limited

For the Year Ended 31 December 2008



Company No. 2780663

Company information

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

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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 2008.

Principal activities

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.

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 auditor is 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 auditor is aware of that information.

Auditor

Grant Thornton UK LLP, having expressed their willingness to continue in office, will be deemed reappointed for the next financial year in accordance with section 487(2) of the Companies Act 2006 unless the company receives notice under section 488(1) of the Companies Act 2006.

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

BY ORDER OF THE BOARD



Mr D Hatchman
Secretary
23 October 2009



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 2008 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 2008 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

Bristol
23 October 2009

Principal accounting policies

Basis of accounting

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

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

Going Concern

The directors report an overall operating loss for the financial year and the balance sheet shows a net deficit position as at 31 December 2008. However, on the basis of post year end trading and current cash flow forecasts, the directors consider it appropriate to prepare the financial statements on the going concern basis.

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

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 recognised on the date of receipt.

Fixed assets

All fixed assets are initially recorded at cost.

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

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	2008 £	2007 £
Turnover	1	3,250	2,897,079
Cost of sales		(6,962)	(2,774,755)
Gross (loss)/profit		(3,712)	122,324
Other operating charges	2	(106,072)	(136,131)
Operating loss	3	(109,784)	(13,807)
Interest receivable	5	3,270	13,845
Interest payable and similar charges	6	—	(1,884)
Loss on ordinary activities before taxation		(106,514)	(1,846)
Tax on loss on ordinary activities	7	—	—
Loss for the financial year	15	(106,514)	(1,846)

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

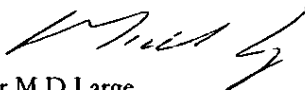
The company has no recognised gains or losses other than the results for the year as set out above.

The accompanying accounting policies and notes form part of these financial statements.

Balance sheet

	Note	2008 £	2007 £
Fixed assets			
Tangible assets	8	—	—
Current assets			
Debtors	9	14,845	400,549
Cash at bank and in hand		2,039,822	215,834
		<u>2,054,667</u>	<u>616,383</u>
Creditors: amounts falling due within one year	10	<u>2,167,778</u>	<u>622,980</u>
Net current liabilities		<u>(113,111)</u>	<u>(6,597)</u>
Total assets less current liabilities		<u>(113,111)</u>	<u>(6,597)</u>
Capital and reserves			
Called-up equity share capital	14	2	2
Profit and loss account	15	(113,113)	(6,599)
Deficit	16	<u>(113,111)</u>	<u>(6,597)</u>

These financial statements were approved by the directors and authorised for issue on 23 October 2009, and are signed on their behalf by:


 Mr M D Large
 Director

The accompanying accounting policies and notes form part of these financial statements.

Notes to the financial statements

1 Turnover

The turnover and 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:

	2008	2007
	£	£
United Kingdom	<u>3,250</u>	<u>2,897,079</u>

2 Other operating charges

	2008	2007
	£	£
Administrative expenses	<u>106,072</u>	<u>136,131</u>

3 Operating loss

Operating loss is stated after charging:

	2008	2007
	£	£
Auditor's remuneration:		
Audit fees	776	3,500
Net loss on foreign currency translation	<u>44,935</u>	<u>19,350</u>

4 Directors and employees

There were no employees of the company during the year, other than the directors who received no remuneration (2007: £nil).

5 Interest receivable

	2008	2007
	£	£
Bank interest receivable	<u>3,270</u>	<u>13,845</u>

6 Interest payable and similar charges

	2008	2007
	£	£
Interest payable on bank borrowing	<u>-</u>	<u>1,884</u>

7 Taxation on ordinary activities

Factors affecting current tax charge

The tax assessed on the loss on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 28% (2007 - 30%).

	2008	2007
	£	£
Loss on ordinary activities before taxation	<u>(106,514)</u>	<u>(1,846)</u>
Loss on ordinary activities by rate of tax	(29,824)	(554)
Capital allowances in excess of depreciation	(28)	(47)
Losses carried forward	<u>29,852</u>	<u>601</u>
Total current tax	<u>-</u>	<u>-</u>

Factors that may affect future tax charges

The company has unrelieved tax losses carried forward of approximately £66,000 available to set against future trading profits.

8 Tangible fixed assets

	Office and musical equipment
	£
Cost	
At 1 January 2008 and 31 December 2008	<u>112,184</u>
Depreciation	
At 1 January 2008 and 31 December 2008	<u>112,184</u>
Net book value	
At 31 December 2008	<u>-</u>
At 31 December 2007	<u>-</u>

9 Debtors

	2008	2007
	£	£
Trade debtors	–	138,208
Amounts owed by group undertakings	–	72,186
VAT recoverable	2,653	190,155
Prepayments and accrued income	12,192	–
	<u>14,845</u>	<u>400,549</u>

10 Creditors: amounts falling due within one year

	2008	2007
	£	£
Amounts owed to related parties	2,022,856	465,989
Trade creditors	–	13,491
Accruals and deferred income	144,922	143,500
	<u>2,167,778</u>	<u>622,980</u>

11 Capital commitments

The company had no capital commitments at 31 December 2008 or 31 December 2007.

12 Contingent liabilities

There were no contingent liabilities at 31 December 2008 or 31 December 2007.

13 Related party transactions

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

During the year, the company invoiced £nil (2007: £58,750) in respect of a performance fee charged to World In The Park Limited, of which Mr M D Large is also a director.

During the year, the company was invoiced by Real World Studios Limited, of which Mr M D Large is also a director, £nil (2007: £7,331) for recharged expenses.

During the year, the company was invoiced by Real World Holdings Limited, of which Mr M D Large is also a director, £nil (2007: £100,000) in respect of management charges and £nil (2007: £5,000) for design work.

During the year, the company was invoiced by Real World Records Limited of which Mr M D Large is also a director, £nil (2007: £12,869) in respect of recharged expenses. At 31 December 2008 the company was owed £nil (2007: £13,436) by Real World Records Limited and this amount was included in other debtors.

During the year, the company was invoiced by Peter Gabriel Limited of which Mr M D Large is also a director, £nil (2007: £57,706) in respect of recharged expenses and £nil (2007: £37,959) for salary recharges. At 31 December 2008 the company owed £nil (2007: £51,464) to Peter Gabriel Limited and this amount was included in amounts owed to related parties.

During the year, the company was invoiced by Real World Productions Limited of which Mr M D Large is also a director, £nil (2007: £5,312) in respect of recharged tour income. At 31 December 2008, the company owed £nil (2007: £6,242) to Real World Productions. This amount was included in amounts owed to related parties.

Included within amounts owed to related parties is £2,022,856 (2007: £407,942) owing to Peter Gabriel who is related to Mrs A F Goldsworthy, a director.

Included within accruals is £nil (2007: £135,000) owed to Peter Gabriel for performance services during the year.

14 Share capital

Authorised share capital:

	2008	2007
	£	£
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

Allotted, called up and fully paid:

	2008		2007	
	No	£	No	£
Ordinary shares of £1 each	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

15 Profit and loss account

	2008	2007
	£	£
Balance brought forward	(6,599)	(4,753)
Loss for the financial year	<u>(106,514)</u>	<u>(1,846)</u>
Balance carried forward	<u>(113,113)</u>	<u>(6,599)</u>

16 Reconciliation of movements in shareholders' funds

	2008	2007
	£	£
Loss for the financial year	(106,514)	(1,846)
Opening shareholders' deficit	<u>(6,597)</u>	<u>(4,751)</u>
Closing shareholders' deficit	<u>(113,111)</u>	<u>(6,597)</u>

17 Controlling related party

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