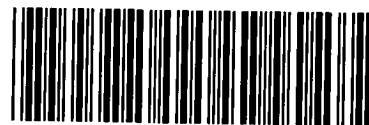


**REAL WORLD HOLDINGS LIMITED**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2017**

WEDNESDAY



A31 \*A7F9UZLT\* 26/09/2018 #153  
COMPANIES HOUSE

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## REAL WORLD HOLDINGS LIMITED

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### COMPANY INFORMATION

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<b>Directors</b>	Mr P B Gabriel Mr M D Large
<b>Company secretary</b>	Mr D C Hatchman
<b>Registered number</b>	02226749
<b>Registered office</b>	Mill Lane Box Corsham Wiltshire SN13 8PL
<b>Independent auditor</b>	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor 2 Glass Wharf Bristol BS2 0EL
<b>Solicitors</b>	Sheridans 76 London W1F 0UR

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**REAL WORLD HOLDINGS LIMITED**

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## REAL WORLD HOLDINGS LIMITED

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### DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2017

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The directors present their report and the financial statements for the year ended 31 December 2017.

#### Principal activities

The principal activities of the company during the year were to act as a corporate member for Proper Tea LLP, to generate income from intangible and other assets and the provision of management services.

#### Results and dividends

The loss for the year, after taxation, amounted to £666,429 (2016: loss £2,560,264).

No dividends were proposed in either period.

#### Directors

The directors who served during the year were:

Mr P B Gabriel  
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 applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'). 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 to 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements and other information included in Directors' reports may differ from legislation in other jurisdictions.

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**REAL WORLD HOLDINGS LIMITED**

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**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2017**

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**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 director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- 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.

**Qualifying third party indemnity provisions**

The company has provided qualifying third party indemnity provisions in respect of the board of directors which were in force during the year and at the date of this report.

**Post balance sheet events**

There have been no significant events affecting the company since the year end.

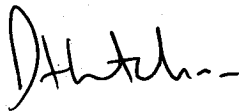
**Auditor**

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

**Small companies note**

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 19<sup>th</sup> JAN 2018 and signed on its behalf.



**Mr D C Hatchman**  
Secretary



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## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF REAL WORLD HOLDINGS LIMITED

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### Opinion

We have audited the financial statements of Real World Holdings Limited for the year ended 31 December 2017, which comprise the Statement of comprehensive income, the Statement of financial position, the Statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Who we are reporting to

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.



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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF REAL WORLD HOLDINGS LIMITED  
(CONTINUED)**

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**Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**Other information**

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has been prepared in accordance with applicable legal requirements.



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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF REAL WORLD HOLDINGS LIMITED  
(CONTINUED)**

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**Matter on which we are required to report under the Companies Act 2006**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which 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' exemptions in preparing the Directors' report and from the requirement to prepare a strategic report.

**Responsibilities of directors for the financial statements**

As explained more fully in the Directors' responsibilities statement on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.





**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF REAL WORLD HOLDINGS LIMITED  
(CONTINUED)**

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**Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditor's report.



Amrish Shah BSc FCA  
Senior statutory auditor  
for and on behalf of Grant Thornton UK LLP  
Statutory Auditor, Chartered Accountants  
Bristol  
Date: 24 September 2018

**REAL WORLD HOLDINGS LIMITED**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Note	2017 £	2016 £
Turnover	4	50,801	45,767
<b>Gross profit</b>		<b>50,801</b>	<b>45,767</b>
Other administrative expenses		(693,526)	(689,226)
Impairment of investments		(22,363)	(1,914,473)
<b>Operating loss</b>	5	<b>(665,088)</b>	<b>(2,557,932)</b>
Interest payable and expenses		(1,341)	(2,332)
<b>Loss for the financial year</b>		<b>(666,429)</b>	<b>(2,560,264)</b>
<b>Total comprehensive income for the year</b>		<b>(666,429)</b>	<b>(2,560,264)</b>

The notes on pages 10 to 22 form part of these financial statements.

**REAL WORLD HOLDINGS LIMITED**  
**REGISTERED NUMBER:02226749**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2017**

	Note	2017 £	2016 £
<b>Fixed assets</b>			
Investments	8	194,878	217,241
<b>Current assets</b>			
Debtors: amounts falling due within one year	9	115,645	83,822
Cash at bank and in hand	10	1,839	8,131
		<u>117,484</u>	<u>91,953</u>
Creditors: amounts falling due within one year	11	(1,507,256)	(837,659)
<b>Net current liabilities</b>		<u>(1,389,772)</u>	<u>(745,706)</u>
<b>Total assets less current liabilities</b>		<u>(1,194,894)</u>	<u>(528,465)</u>
<b>Net liabilities</b>		<u>(1,194,894)</u>	<u>(528,465)</u>
<b>Capital and reserves</b>			
Called up share capital	13	1,000	1,000
Profit and loss account	14	(1,195,894)	(529,465)
		<u>(1,194,894)</u>	<u>(528,465)</u>

The company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

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



19th JAN 2018

**Mr M D Large**  
Director

The notes on pages 10 to 22 form part of these financial statements.

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**REAL WORLD HOLDINGS LIMITED**

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**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2017**

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	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2017	1,000	(529,465)	(528,465)
<b>Comprehensive income for the year</b>			
Loss for the year	-	(666,429)	(666,429)
<b>Total comprehensive income for the year</b>	-	(666,429)	(666,429)
<b>At 31 December 2017</b>	<b>1,000</b>	<b>(1,195,894)</b>	<b>(1,194,894)</b>

The notes on pages 10 to 22 form part of these financial statements.

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2016**

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	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2016	1,000	2,030,799	2,031,799
<b>Comprehensive income for the year</b>			
Loss for the year	-	(2,560,264)	(2,560,264)
<b>Total comprehensive income for the year</b>	-	(2,560,264)	(2,560,264)
<b>At 31 December 2016</b>	<b>1,000</b>	<b>(529,465)</b>	<b>(528,465)</b>

The notes on pages 10 to 22 form part of these financial statements.

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## REAL WORLD HOLDINGS LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

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#### 1. General information

Real World Holdings Limited is a private company limited by shares and incorporated in England and Wales. Its registered head office is located at Box Mill, Mill Lane, Box, Corsham, Wiltshire, SN13 8PL.

#### 2. Accounting policies

##### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company accounting policies (see note 3).

The following principal accounting policies have been applied:

##### 2.2 Financial reporting standard 102 - disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Peter Gabriel Limited as at 31 December 2017 and these financial statements may be obtained from Real World Studios, Box Mill, Mill Lane, Box, Corsham, Wiltshire, SN13 8PL.

##### 2.3 Going concern

The directors report an overall operating loss for the financial year and the statement of financial position shows a net deficit position as at 31 December 2017. Taking into account post year-end trading and continued shareholder and group support, the directors consider it appropriate to prepare the financial statements on the going concern basis.

##### 2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

##### 2.5 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

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## REAL WORLD HOLDINGS LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

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#### 2. Accounting policies (continued)

##### 2.6 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

##### 2.7 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

##### 2.8 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

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## REAL WORLD HOLDINGS LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

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#### 2. Accounting policies (continued)

##### 2.9 Financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Profit and loss account.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the statement of financial position date.

Financial assets and liabilities are offset and the net amount reported in the Statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

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## REAL WORLD HOLDINGS LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

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#### 2. Accounting policies (continued)

##### 2.10 Foreign currency translation

###### Functional and presentation currency

The company's functional and presentational currency is GBP.

###### Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of comprehensive income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of comprehensive income within 'other operating income'.

##### 2.11 Finance costs

Finance costs are charged to the Statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

##### 2.12 Operating leases: the company as lessee

Rentals paid under operating leases are charged to the Statement of comprehensive income on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

The company has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard 01 January 2016 to continue to be charged over the period to the first market rent review rather than the term of the lease.



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## REAL WORLD HOLDINGS LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

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#### 2. Accounting policies (continued)

##### 2.13 Taxation

Tax is recognised in the Statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

##### 2.14 Exceptional Items

Exceptional items are transactions that fell within the ordinary activities of the company but are presented separately due to their size or incidence.

#### 3. Judgements in applying accounting policies and key sources of estimation uncertainty

Preparation of the financial statements requires management to make significant judgements and estimates. Judgements and estimates are continually re-assessed and are based on historical experience as well as other factors, including expectations of future events that are believed to be reasonable under the circumstances. The actual amount or values may vary in certain instances from assumptions and estimates made. Changes will be recorded, with corresponding effect in the Statement of Comprehensive Income, when and if, better information is obtained.

Critical judgements that management has made in the process of applying accounting policies disclosed herein and that have a significant effect on the amounts recognised in the financial statements relate to the following:

##### **Provisions for bad and doubtful debts**

Provisions are made for significantly overdue items on the debtors ledger with specific provision for debtors in financial difficulty.

##### **Impairment of investments**

Where there are indicators of impairment of individual assets, management perform impairment tests based on the fair value less costs to sell or value in use calculations. The value in use model is based on a discounted cash flow model, cash flow being based on budgets and estimated discount rates.

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REAL WORLD HOLDINGS LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2017

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4. Analysis of Turnover

All turnover arose within the United Kingdom.

5. Operating loss

The operating loss is stated after charging:

	2017 £	2016 £
Exchange differences	981	(199)
Impairment provision against investments	<u>74,863</u>	<u>1,914,173</u>

6. Employees

The Company has no employees other than the directors, who did not receive any remuneration (2016: £NIL).

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REAL WORLD HOLDINGS LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2017

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7. Taxation

**Factors affecting tax charge for the year**

The tax assessed for the year differs from the standard rate of corporation tax in the UK of 19.25% (2016 - 20%). The differences are explained below:

	2017 £	2016 £
Loss on ordinary activities before tax	(666,429)	(2,560,264)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.25% (2016 - 20%)	(128,288)	(512,053)
<b>Effects of:</b>		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	108,553	500,207
Deferred tax not recognised	483	-
Adjustments to brought forward values at 19.25% (2016: 20%)	12,624	61,556
Group relief	6,628	(49,710)
<b>Total tax charge for the year</b>	-	-

**Factors that may affect future tax charges**

The company has unrelieved tax losses carried forward of £499,626 (2016: £699,000) available to set against future trading profits.

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REAL WORLD HOLDINGS LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2017

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8. Fixed asset investments

	Investments in subsidiary companies £
<b>Cost or valuation</b>	
At 1 January 2017	2,131,714
At 31 December 2017	2,131,714
<b>Impairment</b>	
At 1 January 2017	1,914,473
Charge for the period	22,363
At 31 December 2017	1,936,836
<b>Net book value</b>	
At 31 December 2017	194,878
At 31 December 2016	217,241

The Company holds a 25% interest in the profits of Proper Tea LLP at Nil cost.

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**REAL WORLD HOLDINGS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2017**

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**8. Fixed asset investments (continued)**

**Subsidiary undertakings**

The following were subsidiary undertakings of the company:

<b>Name</b>	<b>Country of incorporation</b>	<b>Class of shares</b>	<b>Holding</b>	<b>Principal activity</b>
Real World Multimedia Limited	UK	Ordinary	50 %	Dormant
Real World Records Limited	UK	Ordinary	100 %	Production, promotion, licensing and distribution of musical recordings
Real World Studios Limited	UK	Ordinary	100 %	Rental of recording studio facilities
Real World Trading Limited	UK	Ordinary	100 %	Hotel development, marketing and exploitation
Red Lion 83 Limited	UK	Ordinary	100 %	Timber merchants of hard and soft wood
Eurobotics Limited	UK	Ordinary	100 %	Dormant
Real World Design Limited	UK	Ordinary	100 %	Dormant
Real World Operations Limited	UK	Ordinary	100 %	Administrativ e and other operational services to other group companies
Womad Festivals Limited	UK	Ordinary	100 %	Holding and management company whose subsidiary is engaged in music festival and concerts
Oscar Windebank & Son, Limited	UK	Ordinary	100 %	Dormant

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**REAL WORLD HOLDINGS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2017**

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**8. Fixed asset investments (continued)**

Gabble Limited	UK	Ordinary	75 %	Design and development of websites, apps pre market projects and other IPR
World in the Park Limited (indirect holding)	UK	Ordinary	100 %	Music festivals and concerts
WOMAD Limited (indirect holding)	UK	Ordinary	100 %	Music festivals and concerts
WOMAD International Limited (indirect holding)	UK	Ordinary	100 %	Music festivals and concerts
Real World Productions Limited	UK	Ordinary	100 %	Production, promotion, licensing and distribution of music recordings

The company held a 100% indirect shareholdings in World In the Park Limited, WOMAD Limited, WOMAD International Limited and Real World Productions Limited.

The aggregate of the share capital and reserves as at 31 December 2017 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

	Aggregate of share capital and reserves £	Profit/(loss) £
Real World Multimedia Limited	1	-
Real World Records Limited	(218,250)	(153,384)
Real World Studios Limited	(2,892,408)	(166,209)
Real World Trading Limited	(469,683)	(257,586)
Red Lion 83 Limited	20,764	(12,363)
Eurobotics Limited	100	-
Real World Design Limited	100	-
Real World Operations Limited	519,361	37,647
Womad Festivals Limited	(1,148,475)	(104,449)
Oscar Windebank & Son, Limited	2	-
Gabble Limited	(589,640)	11,175

**REAL WORLD HOLDINGS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2017**

**8. Fixed asset investments (continued)**

World in the Park Limited	(713,835)	(107,011)
WOMAD Limited	2,355,959	292,995
WOMAD International Limited	(281,749)	(53,611)
Real World Productions Limited	(78,716)	(32,790)
	<u></u>	<u></u>

**9. Debtors**

	2017 £	2016 £
Trade debtors	22,643	10,432
Amounts owed by group undertakings	52,368	35,489
Other debtors	40,634	37,901
	<u>115,645</u>	<u>83,822</u>

**10. Cash and cash equivalents**

	2017 £	2016 £
Cash at bank and in hand	1,839	8,131
Less: bank overdrafts	(82,637)	(74,705)
	<u>(80,798)</u>	<u>(66,574)</u>

**11. Creditors: Amounts falling due within one year**

	2017 £	2016 £
Bank overdrafts	82,637	74,705
Trade creditors	154,682	109,161
Amounts owed to group undertakings	1,176,839	620,689
Other creditors	91,404	8,959
Accruals and deferred income	1,694	24,145
	<u>1,507,256</u>	<u>837,659</u>

The bank overdraft is secured by a fixed and floating charge over all the assets of the company.

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REAL WORLD HOLDINGS LIMITED

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12. Financial instruments

	2017 £	2016 £
<b>Financial assets</b>		
Financial assets measured at amortised cost	<u>78,779</u>	<u>91,935</u>
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost	<u>(1,507,255)</u>	<u>(837,659)</u>

Financial assets measured at amortised cost comprise trade debtors, amounts owed by group companies and other debtors.

Financial liabilities measured at amortised cost comprise bank overdrafts, trade creditors, amounts owed to group companies, other creditors and accruals.

13. Share capital

	2017 £	2016 £
<b>Allotted, called up and fully paid</b>		
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

14. Reserves

**Profit & loss account**

Includes all current and prior period retained profits and losses.

15. Contingent liabilities

There were no contingent liabilities at 31 December 2017 (31 December 2016: £Nil).



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**16. Commitments under operating leases**

At 31 December 2017 the company had future minimum lease payments under non-cancellable operating leases as follows:

	2017 £	2016 £
Not later than 1 year	145,000	145,000
Later than 1 year and not later than 5 years	145,000	290,000
	<u>290,000</u>	<u>435,000</u>

**17. Related party transactions**

The company has taken the exemption permitted by FRS 102 section 33 not to disclose any related party transactions with any companies in the group headed by Peter Gabriel Limited. This is on the basis that they are a wholly owned subsidiary of Peter Gabriel Limited, for who group and consolidated accounts are publicly available.

During the year, the company was charged £145,000 (2015: £145,000) by the Peter Gabriel directors pension scheme. The cost was recharged in full to Real World Studios Limited a company of which Mr M D Large is also a director. At 31 December 2017 the company owed £43,500 (2016: £43,500) to the pension scheme.

At 31 December 2017, the company was owed £Nil (2016: £270,080) by Gabble Ltd, a company in which Mr P B Gabriel and Mr M D Large are also directors. During the period, a balance of £310,000 relating to this was fully provided against.

**18. Controlling party**

The ultimate parent undertaking of this company is Peter Gabriel Limited.

Mr P B Gabriel is this company's ultimate controlling related party by virtue of his shareholding in Peter Gabriel Limited.