

MAGRATH & CO

SOLICITORS

52/54 Maddox Street, London W1R 9PA
Telephone: 071-495 3003 Fax: 071-409 1745 DX: 9009 (West End)
Emergency Pager No: 0459 108877

BY FAX: 0742-729562

Ms Yvonne O'Donovan
Inter-Modo
1-3 Sidney Street
Sheffield
S1 4RG

Your reference

Our Reference AG/LL/2198/2

Date 19 July 1994

direct fax: 071-499-5037

Dear Yvonne

RE: KAREN BOARDMAN

Thank you for your letter of the 14th July, the contents of which I note.

The reason why I have copied you with the faxes in this matter is that I am sure you, Modo, Adam and everyone else will require a full and final receipt from Karen Boardman to avoid any further claims being made in the future, which is something I am quite happy to deal with on your behalf.

I can deal with this aspect of things once Kris has instructed me as to the figure he is prepared to pay, without incurring any liability on your behalf to legal fees.

Yours sincerely

Alexis

ALEXIS GROWER

*Alexis, thanks for
your fax of 19th July
re. Karen / Rage; the
contents of which are
noted. I appreciate
your clarification in
this matter.
Yours sincerely
Alexis*

CONSULTANTS

Alexis Grower
Levy BA**
S Visa Consultant
for admitted with Practising Certificate

PARTNERS

Chris Magrath BA* David Ashton BA (Hons)
Aileen Colhoun LLB M.Phil Mark Haslam MA (Cantab)
Lesley A Kemp BA (Hons)
*Member of the New York Bar

ASSOCIATE

Derek Cockle LLB (Hons)

ASSOCIATE OFFICE

Gibney Anthony & Flaherty
665 Fifth Avenue
New York NY 10022, USA

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Ms Yvonne O'Donovan
Inter-Modo
1-3 Sidney Street
Sheffield
S1 4RG

Your reference

Our Reference AG/LL/1007/9

Date

20 July 1994

URGENT

Dear Yvonne

RE: THE ORB

Alex and Kris tell me that you have some personal accounts with your bank in Sheffield for Alex containing some £20,000 and two for Kris again containing some £20,000.

They would like this money transferred to my client account without delay and I would be obliged if you would arrange for this to happen. My client account details for easy reference are as follows:-

Bank:

Barclays Bank Plc, Piccadilly Business Centre, 160 Piccadilly,
London, W1A 2AB

Sort Code:

20-67-59, Client Account No: 00643920

Would you please make these transfers as soon as possible and confirm to me when you have instructed your bank to do so, so that I can advise my firm's accountant to check with my firm's bankers to ensure the monies have been safely received.

Yours sincerely

Alexis Grower
ALEXIS GROWER

cc: Alex Paterson
Kris Weston
Ronnie Harris
Dave Fagence
Mike James (Magrath & Co Accountant)

PARTNERS

Chris Magrath BA
Aileen Colhoun LL.B. M.P.S.
David Ashton BA (Hons)
Mark Haslam MA (Cantab)
Lesley A Kemp BA (Hons)
*Member of the New York Bar

ASSOCIATE

Derek Cockle LL.B (Hons)

ASSOCIATE OFFICE

Gibney Anthony & Flaherty
665 Fifth Avenue
New York NY 10022, USA

Society in the

Magrath &

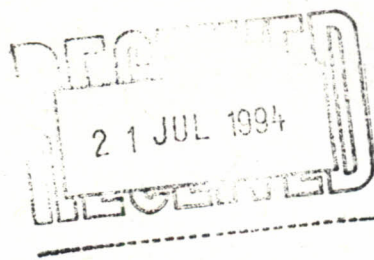
20-07-1994 11:11

Harris & Trotter

Chartered Accountants

20 July, 1994

Yvonne O'Donovan,
Inter-Modo,
1-3 Sidney Street,
Sheffield,
S1 4RG.



8-10 Bulstrode Street,
London W1M 6AH

Tel: 071-487 4393 071-486 5476
Fax: 071-935 1308

R.M. Harris S.M. Garbutta M. Webber
H.M. Lask S. Haffner
Consultants: A. Harris A. Feldman

By Fax & Post
0742 729 562

Dear Yvonne,

RE: THE ORB - ALEX PATERSON & KRISTIAN WESTON

I enclose copies of two letters that have been signed by Alex and Kristian, the contents of which are self explanatory. Would you please be kind enough to let me have details of any accounting that has been prepared by you in respect of royalties due or payments made since the inception of the band known as "The Orb" and furthermore, details of any payments made to Alex Paterson or Kristian Weston as individuals.

I am aware of the more recent accounting concerning a transfer made to the client account of Magrath & Co concerning The Orb and furthermore a request made by Alexis Grower in respect of accounts that you hold on behalf of Alex and Kris.

I would appreciate if you could please let me know whether you act on behalf of Alex or Kristian in respect of their personal activities or whether you liaise with their personal accountants who up until now have been Andrew Bennett-Smith of Ross Bennett Smith. Would you let me know whether you have any bank statements in respect of their personal activities and any other information that may be relevant.

Finally would you let me know whether The Orb are registered for VAT or whether Alex or Kristian are registered in their own names or details of any VAT registrations concerning my clients.

I am aware that VAT would appear to have been collected in respect of the recent advance of £250,000 but there is no details of any VAT number. I am naturally concerned that VAT has therefore been collected and I would urgently ask you to clarify the position.

Continued/...2

Associate Offices:

Paul Marc & Co., Level 1, 599 Malvern Road, Toorak Vic 3142 Australia
Phillips Gold & Company 1140 Avenue of the Americas, New York, N.Y. 10036

Registered to carry on audit work and Authorised to carry on
investment business by The Institute of Chartered Accountants in England and Wales

I imagine there may be a large number of books and records kept by you in respect of accounting for my clients and it may be easier for us to visit your offices so that we can carry out an in depth examination of the records and paperwork available. In this respect would you let us know if this would be convenient or if you do have detailed accounting, then may be copies of those accountings will suffice. We await hearing from you.

Yours sincerely,


R.M. HARRIS

c.c. Alexis Grower
Alex Paterson
Kristian Weston
David Fagence

3 Harpenden Road,
Tulse Hill,
London, SE27 0AG.

13 July, 1994

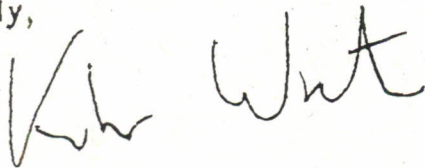
Ronnie Harris,
Harris & Trotter,
8/10 Bulstrode Street,
London, W1M 6AH.

Dear Ronnie,

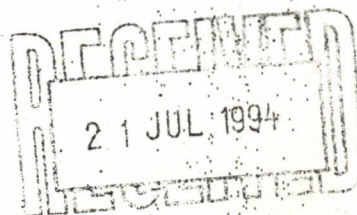
Further to our meeting I am writing to confirm that I would like you to act as my accountant in respect of my personal activities including my taxation affairs and also, where relevant, those in respect of my association with the band "The Orb".

Would you please also look into any of the activities appertaining to my music publishing and in this respect would you please contact Yvonne O'Donovan who is a director of our record label, Modo Records (and Tapes) Limited. I look forward to a long and happy relationship and to having a better understanding of my current financial and taxation affairs.

Yours sincerely,



KRISTIAN WESTON



P.01
102 Goulden House
Bullen Street,
Battersea,
London, SW11 3HH

13 July, 1994

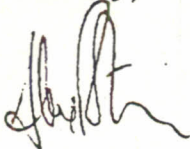
Ronnie Harris,
Harris & Trotter,
8/10 Bulstrode Street,
London, W1M 6AH.

Dear Ronnie,

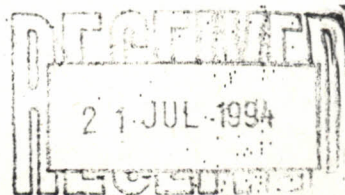
Further to our meeting I am writing to confirm that I would like you to act as my accountant in respect of my personal activities including my taxation affairs and also, where relevant, those in respect of my association with the band "The Orb".

Would you please also look into any of the activities appertaining to my music publishing and in this respect would you please contact Yvonne O'Donovan who is a director of our record label, Modo Records (and Tapes) Limited. I look forward to a long and happy relationship and to having a better understanding of my current financial and taxation affairs.

Yours sincerely,



ALEX PATERSON





AVEC 1.3 Sidney Street Sheffield S1 4RG
Tel 0742 725804 Fax 0742 729562

Vat Registration No. 455 1673 41 Company No. 2069246 Registered Office 2 Rutland Park Sheffield S10 2PD

YOD
Copy of
Correspondence
to Ronnie
Harris

cc Adam
Alex
Kris
Alexis
John Warner
Andrew B. Smith

Ronnie Harris
Harris & Trotter
8-10 Bulstrode Street
London
W1M 6AH

22nd July 1994

Dear Ronnie,

Regarding your letter of July 20th 1994, I do not act on behalf of Alex or Kristian in respect of their personal activities. I do not have any bank statements regarding same, other than Alex's personal records which a lady in our office called Francis Hilbert was writing up for him until March 1994. Andrew at Ross, Bennet-Smith takes care of all personal accounts and can supply you with VAT No's and registrations.

I have already sent Alex's books to June 1994 to Andrew at Ross, Bennet-Smith. You will need to speak to him regarding any transfers, as he seems unaware of any changes.

The recent advance from Chrysalis Music was not just for Alex and Kristian but was for all songwriters involved on Orb Recordings (They write an average of 60-70% of their own music), and is not due to songwriters until delivery of the album after next, and is repayable if they fail to deliver. The contract with Orb Music, which was a partnership between Alex Paterson, Kristian Weston and Adam Morris.

This partnership was to cease on June 30th 1994, with all assets and liabilities transferring to a Limited Company called Absorbing Music Ltd. This company has been registered in March 1994, but has not yet traded, as I was awaiting audit and instructions on shareholdings.

The change of name is important as Orb Music already exists as a publisher in the U.S. and they are in danger of not receiving their copyright royalties.

Regarding VAT, the VAT No. for Orb Music is Modo's number as due to an error when I was not involved with Modo (being at College from September '91 to June '93) the VAT was simply included on their quarterly returns. The Number is 455 1673 41. However, Orb Music suffered no loss due to this, as the VAT Payable and Reclaimable was kept separately.

Absorbing Music has not yet applied for VAT.

Partnership accounts are being prepared by our auditors to 30th June 1994. Our auditors are Barber, Harrison and Platt. The contact name is John Warner.

The area I was most involved with Alex and Kristian was in setting up a production company, at their request, called PAW Productions Ltd. This was to separate their ownership of a recording studio from their personal affairs and was registered in November 1993. Again, this has not traded other than to register for PAYE and pay studio wages, as the inter-company balances between Modo and PAW at December 31st 1993 were very complicated due to Modo financing advances, recordings and tour losses throughout 1993 when they were injunctioned by Big Life Records and had no major record company support.

However the books and records and bank accounts were again kept separately, with all debtors, creditors, assets, liabilities and bank balances kept under the names of PAW/MOIST.

I have acted as accounts administrator for PAW/MOIST and have received no instruction on my future role with this company.

The cash flow on this company was prepared on the basis of the Orb's intention to deliver the next album to Island by April 1994. As they did not do this (as originally promised), this company is now short of cash. I have repeatedly requested instruction on what to do about paying wages, rent etc, for the end of July, with no reply.

Modo is in debt due to financing the Orb's record label. I have now been informed by Alexis that Alex wishes Inter-Modo (run by Modo) to become Inter (run by Alex), with Inter repaying Modo for its investment.

Dave Fagence promised to raise capital for the label in the Spring of 1994. Again I based Modo's cash flow forecast on the assumption that this was correct. Normally Modo would use its bank facilities to support PAW until the album is delivered. Modo will do this again if I get an undertaking that the Island advance will be paid to Modo to recoup band/PAW costs. I need to know this urgently. (Copy of MOIST/PAW bank accounts attached with monthly cheques and standing orders list).

Finally, regarding royalties and payments to 'the Orb' since inception, this is a great deal of work which involves going back through five years accounting records. Alex and Kristian have been sent royalty statements at each half year. Modo is not due to account again until September 1994. As I am in the middle of finalising year end accounts for Modo (which include a great deal of Orb transactions), and preparing for Audit on August 1st. I would appreciate you waiting until this is completed.

I will forward copies of accounts as soon as I can, but as I am away on family holidays from August 10th to 26th, I would request you concentrate on information from Ross, Bennet-Smith until my return.

I think the idea of you coming to Sheffield to go through the records and paperwork is a good one. I would suggest this takes place in September when I will have finalised accounts and attempted to summarise five years Orb transactions. Obviously as our next royalty accounting is not due for three months, we may well not be finished but there is plenty to go through.

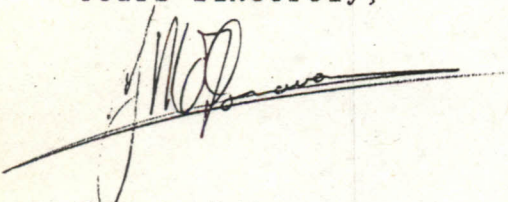
In the meantime, please find enclosed copies of Big Life royalties, copies of Modo royalty statement sent March 31st 1994, and copies of remix calculations to December 31st. (They have not done any remixes since, that I am aware of.)

If you have any problems, please do not hesitate to contact me.

One final point, Kristian and Alex in their form letters to you of July 13th ask you to contact Yvonne "who is a director of our label, Modo (Records & Tapes) Ltd.". This is not correct. They are aware that I have not been a director of Modo since 1991. I am however a 50% shareholder of the company.

As a director of Modo, there would have been a conflict of interest. I therefore kept an arms-length association between Modo, PAW Productions and any Orb work with myself. I work as a self-employed consultant in my own business - Amber Associates, and any work I have done is billed by my business.

Yours sincerely,



Yvonne O'Donovan

cc. Adam Morris
Alex Paterson
Kristian Weston
Andrew Bennet-Smith
John Warner
ALEXIS GROWER

Enclosures:

1. MOIST/PAW Bank statement June '94
2. Big Life Royalties
3. Island Royalties
4. Inter-Modo Royalties
5. Remix fees (to follow)
6. Copy of letter to Alexis of 20/7/94

Notes:

1) The Orb were on a 50/50 Profit Share Deal on Big Life Royalties with Modo.

The Orb are on an 80/20 Points Deal on Island Royalties with Modo.

2) Big Life Accounting on Little Fluffy Clouds etc. was not received by us until April 1994.

3) Island Advances were paid direct into MOIST/PAW bank account (less 20%) which is the Orb's. They have spent the advance (less Modo recoupment for costs in 1993) on studio equipment purchases, personal advances, band expenses and North Street running costs since December 1993 (see cash payments attached).

MOIST/BANK ACCOUNT

①.

Cash Book Payments (not including transfers between bank accounts) from November '93 to June 30th 1994.

	£	£
November / December 1993	61,189.43	
January 1994	126,270.94	
February 1994	32,467.38	
March 1994	20,930.34	
April 1994	16,711.66	
May 1994	13,409.73	
June 1994	15,438.51	

Total:		286,417.99

Average monthly spend since studio equipment purchase is approximately £15,000.00 per month.

No expenses have been incurred without specific instructions from Alex, Kristian or Andy Hughes. Cash floats are the responsibility of Clare and Fil at the studio, as instructed.

Original studio budget was £100,000! I have been pointing out the overspend since January.

Balance on this bank account is now £934.70 overdrawn, with no agreed facility.

** FINAL STATEMENT **
 *** DATED 23/06/94 ***

POLYGRAM RECORD OPERATIONS LIMITED, ROYALTY DEPARTMENT
 DETAILED ROYALTY STATEMENT ON BEHALF OF ISLAND RECORDS

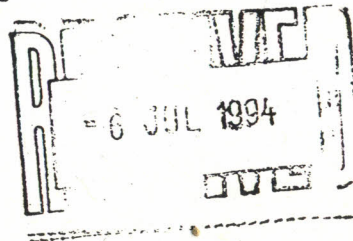
PERIOD ENDING 31/03/94

ACCOUNT NUMBER: 063601

ACCOUNT NAME: THE ORB

PAGE: 01

PERIOD	ITEM REF	ITEM DESCRIPTION	DEBIT	CREDIT	TOTAL TO ROYALTY SUMMARY DEBIT	CREDIT
		BALANCE BROUGHT FORWARD FROM PREVIOUS STATEMENT	543500.00		543,500.00	
06/94	94049	PROMO CONSULRADIOTV	1500.00			
		NETT TOTAL FOR PAYMENTS/ADVANCES	1500.00	0.00	1,500.00	
03/94	754316	TSF RECORDING COSTS	3406.00			
04/94	754323	TSF RECORDING COSTS	1030.10			
		NETT TOTAL FOR RECORDING COSTS	4436.10	0.00	4,436.10	
05/94	103154	50% LIVE DUBLIN	20519.00			
		NETT TOTAL FOR TOUR SUPPORT	20519.00	0.00	20,519.00	
06/94	R19411	ROYALTY EARN 3/94		38261.69		
06/94	R19423	PROB DEDUCT 3/94 BIG LIFE:	4782.67			
		NETT TOTAL FOR EARNINGS	4782.67	38261.69		33,479.02
		ACCOUNT TOTALS	574737.77	38261.69		
		ACCOUNT BALANCE			536,476.08	



MR MONO ADVANCE TRANSFERRED
 CORRECTION STATEMENT 3/94
 DEDUCT RE: BIG LIFE

94,000.00

576.47

4,604.75

ACCOUNT BALANCE

626,447.80

11
** FINAL STATEMENT **
*** DATED 23/06/94 ***

POLYGRAM RECORD OPERATIONS LIMITED, ROYALTY DEPARTMENT
DETAILED ROYALTY STATEMENT ON BEHALF OF ISLAND RECORDS

PERIOD ENDING 31/

ACCOUNT NUMBER: 063101

ACCOUNT NAME: MR. MODO

PAGE: 01

PERIOD	ITEM REF	ITEM DESCRIPTION	DEBIT	CREDIT	TOTAL TO ROYALTY SUMMARY DEBIT	CREDIT
		BALANCE BROUGHT FORWARD FROM PREVIOUS STATEMENT	94000.00		94,000.00	
		ACCOUNT TOTALS	94000.00	0.00		
		ACCOUNT BALANCE			94,000.00	

MODO RECORDS AND TAPES

OCTOBER 1993 to MARCH 1994 : CORRECTION STATEMENT

Cat.No	Units	PPD	Rate	Amount	Rate	Amount
			as per the statement			
518746 1 (4LP)	7,566	7.65	10.4	6,019.51	10.40	6,019.51
	164	7.65	10.4	130.48	10.40	130.48
518746 2 (2CD)	21,157	6.97	10.4	15,336.71	12.20	17,990.64
	9,212	7.17	10.4	6,869.39	12.20	8,058.10
	4,211	7.17	10.4	3,140.14	12.20	3,683.53
518746 4 (2MC)	11,579	4.60	10.4	5,539.39	10.81	5,757.77
	1,197	4.60	10.4	572.64	10.81	595.22
518746 4 (2MC)	25	4.60	10.4	11.96	10.81	12.43
518746 1 (4LP)	5	7.65	10.4	3.98	10.40	3.98
	2	7.65	10.4	1.59	10.40	1.59
518746 2 (2CD)	5	7.17	10.4	3.73	12.20	4.37
518746 2 (2CD)	75	6.76	17.5	88.73	11.00	55.77
518746 2 (2CD)	4	6.76	17.5	4.73	10.26	2.77
518746 2 (2CD)	80	6.67	17.5	93.38	10.26	54.75
518746 1 (4LP)	56	6.71	8.75	32.88	8.75	32.88
518746 2 (2CD)	401	7.24	8.75	254.03	10.26	297.87
518746 4 (2MC)	368	4.92	8.75	158.42	9.10	164.76
TOTALS				38,261.69		42,866.44

Therefore a further £ 4,604.75 due

(3)

ACCOUNTING PERIOD : 31:0
CONTRACT NO :
PAYEE NO : 638

PAGE NO : 2
PREVIOUS PAYEE NO :

[illegible]

COPY STATEMENT

ACCOUNT BUSINESS ACCOUNT
MOD0 (RECORDS AND TAPES) LTD

SHEET NUMBER 14

MOIST

DATE	DETAILS	WITHDRAWALS	DEPOSITS	BALANCE (£)
1994	TELEPHONE	SHEFFIELD CITY CENTRE STATEMENT DATE 14 JUN 1994		ACCOUNT NO. 36898228
31 MAY	BALANCE FROM SHEET NO. 13			5,864.96
2 JUN	000209 PAUL F. RENT 120.00			5,744.96
3 JUN	CLOSE BROTHERS LTD DD INSUR. 219.62			5,525.34
7 JUN	000131 CRIT. TRST. 75.00			
	000133 ANDY HUGHES 375.00			
	000210 FIL/RENT 388.00			
	LEB COLLECTION A/C DD 210.00			
	MR M P FERGUSON SO 600.00			3,877.34
8 JUN	000132 ELECTRONICS 117.50			3,759.84
9 JUN	000130 RENT 1,040.00			2,719.84
10 JUN	000211 FIL REAT 200.00			2,519.84
13 JUN	000140 VIKING DIR. 52.68			
	000141 BRIT. TEL. 292.75			
	000212 FIL REAT 200.00			1,974.41
14 JUN	MR M P FERGUSON SO 600.00			1,374.41

* THE FOLLOWING CHARGES/INTEREST FOR 7 MAR 1994 TO 5 JUN 1994 *				
* WILL BE APPLIED TO THIS ACCOUNT ON 30 JUN 1994 *				

* DEBIT INTEREST 10.58 *				
* EXCESS BORROWING 5 DAYS @ £ 3.50 17.50 *				
* ACCOUNT CHARGES 57.75 *				

* TOTAL OF CHARGES TO BE DEBITED 85.83 *				

** AS AT 14 JUN 1994 *****				
SHOULD YOU OVERDRAW WITHOUT ARRANGEMENT YOU WILL BE CHARGED				
OUR UNARRANGED BORROWING RATE WHICH IS CURRENTLY 29.5% PA.				
14 JUN	BALANCE TO SHEET NO. 15	National Westminster Bank Plc		1,374.41

Key SO Standing Order DV Dividend CC Cash &/or Cheques Auto AC Automated Cash PY Payroll
EC Eurocheques TR Transfer CP Card Purchase Withdrawals DD Direct Debit OD Overdrawn

Copy Statement

PO BOX 120
42 HIGH STREET
SHEFFIELD
S1 1QGACCOUNT BUSINESS ACCOUNT
MOD0 (RECORDS AND TAPES) LTD

SHEET NUMBER 15

MOIST

DATE	DETAILS	WITHDRAWALS	DEPOSITS	BALANCE (£)
1994	TELEPHONE	STATEMENT DATE 30 JUN 1994		ACCOUNT NO. 36898228
14 JUN	BALANCE FROM SHEET NO. 14			1,374.41
15 JUN	000137 TONICS LTD. 103.53			1,270.88
16 JUN	000134 COURIERS 140.41			
	000213 STUDIO LV 130.00			1,000.47
17 JUN	000215 FIL WAGES 750.00			
	000216 FLOATS 267.93			
	100003 CC			
21 JUN	000214 STALING AID 141.00		130.00 LXP	112.54
	MR M P FERGUSON SO 600.00			
	FROM MOIST B/RES TR			
23 JUN	000139 ATLASSOC. 600.00		5,000.00	4,371.54
27 JUN	000145 RENT 1,040.00			3,771.54
28 JUN	000142 SONIC SYS. 117.50			2,731.54
	000143 FIBRAND 940.00			
	000144 I.M.R. 17.00			
	MR M P FERGUSON SO 600.00			1,057.04
29 JUN	000149 CLARE WAGES 46.01			
	FROM BUS RES ACC TR			
30 JUN	000217 P.RENT + FLOATS 470.23		4,102.74	4,513.77
	INTEREST 7 MAR - 5 JUN 10.58			
	EXCESS BORROWING 5 DAYS @ £ 3.50 17.50			
	ACCOUNT CHARGES 7 MAR - 5 JUN 57.75			3,957.71

** AS AT 30 JUN 1994 *****				
SHOULD YOU OVERDRAW WITHOUT ARRANGEMENT YOU WILL BE CHARGED				
OUR UNARRANGED BORROWING RATE WHICH IS CURRENTLY 29.5% PA.				
30 JUN	BALANCE TO SHEET NO. 16	National Westminster Bank Plc		3,957.71

Key SO Standing Order DV Dividend CC Cash &/or Cheques Auto AC Automated Cash PY Payroll Interest
EC Eurocheques TR Transfer CP Card Purchase Withdrawals DD Direct Debit OD Overdrawn see over

BUSINESSLINE - A BUSINESS BANKING SERVICE THAT IS AVAILABLE WHEN YOU
NEED IT - 24 HOUR BANKING BY PHONE ASK YOUR BRANCH FOR DETAILS

BIG LIFE RECORDS
In account with The Orb

Period from release to 30 June 1993

£

UK record royalties	259935.71	
Overseas record royalties		
- Polygram	23081.98	
- Caroline	5737.63	
- Other	6910.85	
Compilation income	32105.72	
Total Income	327771.89	✓
Less:		
Recoupable costs to 31 March 1991	43757.20	
Recoupable costs to 31 March 1992	95548.09	
Recoupable costs to 31 March 1993	97129.95	
Recoupable costs to 30 June 1993	0.00	
	<hr/>	
	236,435.24	234
Royalties payable	91336.65	✓
Less: royalty payments already made	71204.98	✓
Balance payable	20131.67	

31st March 1994

Kris Weston.
51 Barcombe Avenue
Streatham Hill
London SW2

Dear Kris,

Please find enclosed your royalty statements for the period ending 31st December 1993. The summary of the enclosed statements is as follows (The amounts shown are total amounts before any split between you and Alex):

A Huge Evergrowing...Single	Recouped: £712-48
Adventures...Album	Recouped: £26664-10
Aubrey Mixes...Remix Album	Unrecouped: (£13175-05)
Perpetual Dawn...Single	Unrecouped: (£27111-86)
U.F. Orb...Album	Recouped: £28824-62
Assassin...Single	Recouped: £364-25
Direct Licensing...Volume etc	Recouped: £168-51
Direct Sale Merchandising	Recouped: £175-60
Big Life Tour Support:	Unrecouped: (£9212-87)
Big Life Equipment Purchases:	Unrecouped: (£8773-82)
Patterns and Textures Video	Unrecouped: (£31414-28)
3rd Album Expenses to 30/06/93	Unrecouped: (£17862-67)
to 31/12/93	Unrecouped: (£8833-92)

Total	Unrecouped: (£26696-59)
Live '93...Album	Unrecouped: (£10006-02)
Personal Advances to 30/06/93	Unrecouped: (£3094-50)
Direct from BLR	Unrecouped: (£10000-00)
to 31/12/93	Unrecouped: (£10249-43)

Total	Unrecouped: (£23343-93)

Page Two: Kris Weston - Royalties

Peel Sessions...Album to 30/06/93
to 31/12/93

Recouped: £255-79

Recouped: £269-99

Total

Recouped: £525-78

I have enclosed copies of all of the above statements but please note the following:

1) Due to a computer breakdown I cannot provide you with a copy statement for Peel Sessions (01/07/93 to 31/12/93) or for Personal Advances (01/07/93 to 31/12/93).

2) The above does not include the Big Life statement for the period 01/07/93 to 31/12/93 ie Little Fluffy Clouds re-issue sales etc

3) The above statements do not include any payments or expenses incurred through PAW Productions ie expenses incurred since the Island signing.

If you have any queries on the above then please do not hesitate to contact me - I'll do my best to answer then.

Yours sincerely,

Mark Hartridge

(Detailed Statements Attached)

31st March 1994

Alex Paterson
102 Goulden House
Bullen Street
London SW11

Dear Alex,

Please find enclosed your royalty statements for the period ending 31st December 1993. The summary of the enclosed statements is as follows (The amounts shown are total amounts before any split between you and Kris):

A Huge Evergrowing...Single Modo	Unrecouped: (£673-70)
Evergrowing Remix...Single Modo	Recouped: £393=16
A Huge Evergrowing...Single BLR	Recouped: £712-48
Adventures...Album	Recouped: £26664-10
Aubrey Mixes...Remix Album	Unrecouped: (£13175-05)
Perpetual Dawn...Single	Unrecouped: (£27111-86)
U.F. Orb...Album	Recouped: £28824-62
Assassin...Single	Recouped: £364-25
Direct Licensing...Volume etc	Recouped: £168-51
Direct Sale Merchandising	Recouped: £175-60
Big Life Tour Support:	Unrecouped: (£9212-87)
Big Life Equipment Purchases:	Unrecouped: (£8773-82)
Patterns and Textures Video	Unrecouped: (£31414-28)
3rd Album Expenses to 30/06/93	Unrecouped: (£17862-67)
to 31/12/93	Unrecouped: (£8833-92)
Total	----- Unrecouped: (£26696-59)
Live '93...Album	Unrecouped: (£10006-02)
Personal Advances to 31/12/92	Unrecouped: (£11565-00)

Page Two: Alex Paterson - Royalties

Peel Sessions...Album to 31/12/92	Recouped: £576-11
to 30/06/93	Recouped: £608-10

Total	Recouped: £1184-21

I have enclosed copies of all of the above statements but please note the following:

1) Due to a computer breakdown I cannot provide you with a copy statement for Peel Sessions (01/07/93 to 31/12/93) or for Personal Advances (01/07/93 to 31/12/93).

2) The above does not include the Big Life statement for the period 01/07/93 to 31/12/93 ie Little Fluffy Clouds re-issue sales etc

3) The above statements do not include any payments or expenses incurred through PAW Productions ie expenses incurred since the Island signing.

4) I cannot provide you with a list of advances from 01/01/93 to the 31/12/93 due to my computer giving up on me. I have done a manual list of these, which we went through at the meeting last Tuesday, and will forward you a copy of this when I can get the information from Yvonne.

If you have any queries on the above then please do not hesitate to contact me - I'll do my best to answer then.

Yours sincerely,

Mark Hartridge

(Detailed Statements Attached)