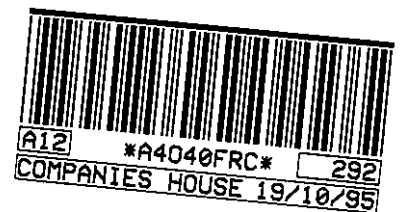


REAL WORLD TOURS LIMITED  
FINANCIAL STATEMENTS

31 DECEMBER 1993

Company number: 2780663

Baker Tilly  
Chartered Accountants  
2 Bloomsbury Street  
London WC1B 3ST



DIRECTORS AND OFFICERS

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DIRECTORS

D Stephen  
AF Goldsworthy

SECRETARY

PD Stephens

REGISTERED OFFICE

Box Mill  
Mill Lane  
Box  
Corsham  
Wiltshire SN14 9PL

AUDITORS

Baker Tilly  
Chartered Accountants  
2 Bloomsbury Street  
London WC1B 3ST

DIRECTORS' REPORT

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The directors submit their report and the financial statements of Real World Tours Limited for the period ended 31 December 1993.

## PRINCIPAL ACTIVITIES

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

## REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS

The company was incorporated as Marowin Limited on 18 January 1993 and commenced trading on that date.

The company's name was changed to Real World Tours Limited on 11 February 1993.

The directors' consider that the company's state of affairs is satisfactory.

## RESULTS AND DIVIDENDS

The trading profit for the period after taxation was £Nil.

The directors do not recommend the payment of a final dividend.

## DIRECTORS

The following directors have held office since incorporation:-

M Pedro	(resigned 30 September 1994)
D Stephen	(appointed 18 April 1994)
AF Goldsworthy	(appointed 3 February 1993)
Combined Nominees Limited	(appointed 18 January 1993, resigned 3 February 1993)

## DIRECTORS' INTERESTS IN SHARES

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

	Ordinary shares of £1 each 31.12.93 Incorporation	
Combined Secretarial Services Limited	-	2
AF Goldsworthy	1	-
M Pedro	1	-

DIRECTORS' REPORT

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FIXED ASSETS

The significant changes in fixed assets during the period are explained in note 5 to the financial statements.

POLITICAL AND CHARITABLE CONTRIBUTIONS

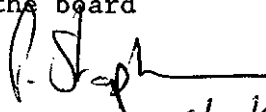
During the period the company made no political or charitable contributions.

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

PD Stephens

  
6/14/95

Secretary

REAL WORLD TOURS LIMITED

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF  
FINANCIAL STATEMENTS

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:

- 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 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 6 to 11.

**Respective responsibilities of directors and auditors**

As described on page 4 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 of 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 1993 and of its result for the period then ended and have been properly prepared in accordance with the Companies Act 1985.



Registered Auditor  
Chartered Accountants  
2 Bloomsbury Street  
London WC1B 3ST

16.10.98

PROFIT AND LOSS ACCOUNT  
for the period ended 31 December 1993

	Notes	Period to 31 December 1993
TURNOVER	1	5,167,529
Cost of sales		(5,061,489)
Gross profit		<u>106,040</u>
Other operating income		683,207
Administrative expenses		( 520,593)
OPERATING PROFIT		<u>268,654</u>
Investment income		6,179
		<u>274,833</u>
Interest payable		6,267
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	2	<u>268,566</u>
Taxation	4	268,566
RETAINED PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	9	<u>£ -</u>

The operating profit for the period arises from the company's continuing operations.

No separate Statement of Total Recognised Gains and Losses has been presented as all gains and losses have been dealt with in the Profit and Loss Account.

No separate reconciliation of movements in shareholders' funds is presented as the only movement is dealt with through the profit and loss account.

The retained profit for the period represents the company's historical cost profit.

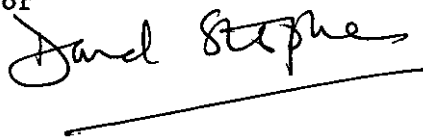
BALANCE SHEET  
31 December 1993

	Notes	1993
FIXED ASSETS		
Tangible assets	5	78,869
CURRENT ASSETS		
Debtors	6	183,251
Cash at bank and in hand		669,842
		<u>853,093</u>
CREDITORS		
Amounts falling due within one year	7	931,960
NET CURRENT LIABILITIES		( 78,867 )
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>£ 2</u>
CAPITAL AND RESERVES		
Called up share capital	8	2
Profit and loss account	9	-
		<u>£ 2</u>

Approved by the board on

6/10/95

Director

  
David Stephen



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.

CASH FLOW STATEMENT

The directors have relied upon the exemptions conferred by Financial Reporting Standard number 1 (FRS 1) from preparing a cash flow statement.

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
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TURNOVER

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

EXCHANGE GAINS

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 at the balance sheet date.

All differences are taken to the profit and loss account.

NOTES TO THE FINANCIAL STATEMENTS  
for the period ended 31 December 1993

	Period to 31 December 1993
1. TURNOVER AND PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	
The company's turnover and profit before taxation were all derived from its principal activity. Sales were made in the following geographical markets:	
United Kingdom	585,957
Europe	3,305,306
Australia	97,948
South America	1,178,318
	<u>£ 5,167,529</u>
2. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	
Profit on ordinary activities before taxation is stated after charging: Depreciation and amounts written off tangible fixed assets:	
Charge for the period:	
owned assets	25,413
Auditors' remuneration	7,000
	<u>          </u>
3. EMPLOYEES	No.
The average weekly number of persons (including directors) employed by the company during the period was:	
Office and management	2
Staff costs for the above persons:	-
Wages and salaries	-
Social security costs	-
	<u>£ Nil</u>
DIRECTORS' REMUNERATION	<u>          </u>
Directors' emoluments	£ NIL
	<u>          </u>

NOTES TO THE FINANCIAL STATEMENTS  
for the period ended 31 December 1993

	Period to 31 December 1993
4. TAXATION	
Based on the profit for the period	
UK Corporation tax at 33%	-
Withholding tax	268,566
	<u>£ 268,566</u>
5. TANGIBLE FIXED ASSETS	
	Office Equipment
Cost:	
Additions	104,282
31 December 1993	<u>104,282</u>
Depreciation:	
Charged in the period	25,413
31 December 1993	<u>25,413</u>
Net book value:	
31 December 1993	<u>£ 78,869</u>
6. DEBTORS	1993
Due within one year:	
Trade debtors	18,471
Other debtors	131,775
Prepayments	33,005
	<u>£ 183,251</u>
7. CREDITORS	
Amounts falling due within one year:	
Trade creditors	60,408
Accruals	105,984
Deferred income	180,022
Other creditors	585,546
	<u>£ 931,960</u>

NOTES TO THE FINANCIAL STATEMENTS  
for the period ended 31 December 1993

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	1993
8. SHARE CAPITAL	
Authorised:	
100 ordinary shares of £1 each	£ 100
	—
Allotted, issued and fully paid:	
2 ordinary shares of £1 each	£ 2
	—
9. PROFIT AND LOSS ACCOUNT	
Profit for the period	-
31 December 1993	£ -
	—