

NEWSROUND INTERNATIONAL AIRFREIGHT LIMITED

Company number: 2044827

Annual Report and Financial Statements

For the Year Ended

31 December 2004

Directors

**Exel Nominee No 2 Limited
Exel Secretarial Services Limited**

Secretary

Exel Secretarial Services Ltd

**Registered Office
Ocean House
The Ring
Bracknell
Berkshire
RG12 1AN**



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NEWSROUND INTERNATIONAL AIRFREIGHT LIMITED

Directors' Report

The Directors present their report and the financial statements for the year ended 31 December 2004.

Results and dividends

The Company did not trade during the year ended 31 December 2004 (2003: profit of Nil). The Directors do not recommend the payment of a dividend (2003: Nil).

Principal activity and business review

The Company did not trade during the year.

Statement of Directors' responsibilities

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 year. 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 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 for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for ensuring that the Directors' Report and other information included in the Annual Report is prepared in accordance with company law in the United Kingdom.

Directors

The Directors who held office during the year are given below:

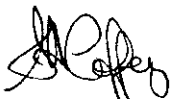
Exel Nominee No 2 Limited
Exel Secretarial Services Limited

According to the registers kept by the Company under section 325 of the Companies Act 1985, the Directors at the end of the financial year had no notifiable interest in the shares of the Company or of Exel plc, the ultimate parent company.

Auditors

In accordance with the provisions of section 249AA of the Companies Act 1985 the Company has not appointed auditors.

By order of the Board



Authorised Signatory
For and on behalf of
Exel Secretarial Services Limited

30 September 2005

NEWSROUND INTERNATIONAL AIRFREIGHT LIMITED

Balance Sheet

At 31 December 2004

		2004 £	2003 £
	Note		
Current assets			
Debtors	2	<u>525,771</u>	<u>525,771</u>
Capital and reserves			
Called up share capital	3	1,974	1,974
Share premium account	4	287,456	287,456
Profit and loss account	4	236,341	236,341
Equity shareholders' funds		<u>525,771</u>	<u>525,771</u>

For the year ended 31 December 2004 the Company was entitled to audit exemption under section 249AA (1) of the Companies Act 1985.

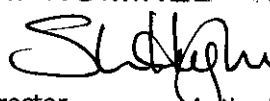
Members have not required the Company to obtain an audit of its financial statements for the year in question in accordance with section 249B (2) of the Act.

The Directors acknowledge their responsibilities for:-

(i) ensuring that the Company keeps accounting records which comply with section 221 of the Companies Act 1985, and

(ii) preparing financial statements which give a true and fair view of the state of affairs of the Company as at the end of the financial period and of its profit and loss for the financial year, in accordance with the requirements of section 226 of the Companies Act 1985, and which otherwise comply with the requirements of the Companies Act relating to financial statements, so far as applicable to the Company.

Approved by the Board on ^{30 September} 2005
For and signed on its behalf.
EXEL NOMINEE NO 2 LTD


Director Authorised Signatory

The notes on pages 4 to 5 form part of these financial statements.

NEWSROUND INTERNATIONAL AIRFREIGHT LIMITED

Notes to the Financial Statements

For the year ended 31 December 2004

1 Accounting convention

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

2 Debtors

	2004 £	2003 £
Amounts falling due within one year		
Amounts owed by group undertakings	<u>525,771</u>	<u>525,771</u>

3 Share capital

	Authorised		Authorised	
	2004	2004	2003	2003
	Number	£	Number	£
Ordinary 'A' Shares of £0.50 each	19,671	9,835	19,671	9,835
Ordinary 'B' Shares of £0.50 each	329	165	329	165
	<u>20,000</u>	<u>10,000</u>	<u>20,000</u>	<u>10,000</u>
	Allotted, Called up and Fully paid		Allotted, Called up and Fully paid	
	2004	2004	2003	2003
	Number	£	Number	£
Ordinary 'A' Shares of £0.50 each	3,619	1,809	3,619	1,809
Ordinary 'B' Shares of £0.50 each	329	165	329	165
	<u>3,948</u>	<u>1,974</u>	<u>3,948</u>	<u>1,974</u>

The holders of A ordinary shares are permitted to elect to receive new A ordinary shares credited as fully paid instead of all or any part or any interim or final dividend declared by the Company whereas the B ordinary shareholders do not have such right.

NEWSROUND INTERNATIONAL AIRFREIGHT LIMITED

Notes to the Financial Statements (continued)

For the year ended 31 December 2004

4 Movements in shareholders' funds

	Share Capital £	Share Premium £	Profit and loss account £	Total £
At 1 January and 31 December 2004	<u>1,974</u>	<u>287,456</u>	<u>236,341</u>	<u>525,771</u>

5 Immediate and ultimate parent undertakings

The Company's immediate parent undertaking is Higgs International Limited, which is registered in England.

The Company's ultimate parent undertaking is Exel plc, which is registered in England. This is the only group of which the Company is a member for which group financial statements are prepared. Copies of the financial statements of Exel plc can be obtained from Ocean House, The Ring, Bracknell, Berkshire, RG12 1AN.