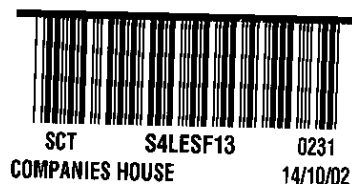
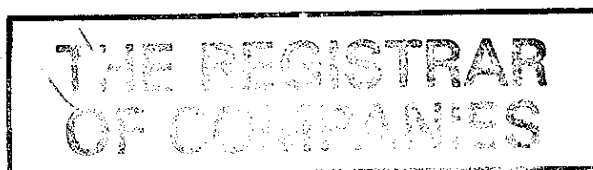


HAULAGE EXPRESS LIMITED
ABBREVIATED FINANCIAL STATEMENTS
31ST MARCH 2002



ARMSTRONG WATSON
Chartered Accountants & Registered Auditors
Fairview House
Victoria Place
Carlisle
Cumbria
CA1 1HP

HAULAGE EXPRESS LIMITED
ABBREVIATED FINANCIAL STATEMENTS
YEAR ENDED 31ST MARCH 2002

CONTENTS	PAGES
Independent Auditors' Report to the Company	1
Abbreviated Balance Sheet	2
Notes to the Abbreviated Financial Statements	3 to 4

HAULAGE EXPRESS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE COMPANY

PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 2 to 4, together with the financial statements of the company for the year ended 31st March 2002 prepared under Section 226 of the Companies Act 1985.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS

The directors are responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and report our opinion to you.

BASIS OF OPINION

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

OPINION

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act, and the abbreviated accounts on pages 2 to 4 are properly prepared in accordance with those provisions.

Fairview House
Victoria Place
Carlisle
Cumbria
CA1 1HP

24th July 2002



ARMSTRONG WATSON
Chartered Accountants
& Registered Auditors

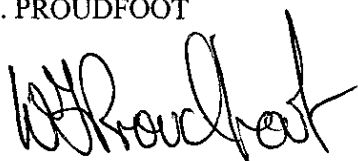
HAULAGE EXPRESS LIMITED
ABBREVIATED BALANCE SHEET
31ST MARCH 2002

	Note	2002	2001
		£	£
FIXED ASSETS	2		
Tangible assets		694,003	530,489
CURRENT ASSETS			
Stocks		15,811	28,644
Debtors	3	509,246	371,300
Cash at bank and in hand		-	102,594
		<u>525,057</u>	<u>502,538</u>
CREDITORS: Amounts falling Due within one year		<u>(416,293)</u>	<u>(332,553)</u>
NET CURRENT ASSETS		108,764	169,985
TOTAL ASSETS LESS CURRENT LIABILITIES		802,767	700,474
CREDITORS: Amounts falling due After more than one year		(196,928)	(95,983)
PROVISIONS FOR LIABILITIES AND CHARGES		(16,368)	(16,368)
		<u>589,471</u>	<u>588,123</u>
CAPITAL AND RESERVES			
Called-up equity share capital	4	400,000	400,000
Profit and Loss Account		189,471	188,123
SHAREHOLDERS' FUNDS		589,471	588,123

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These financial statements were approved by the directors on the 23rd July 2002 and are signed on their behalf by:

W.J. PROUDFOOT



HAULAGE EXPRESS LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 2002

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities 2000.

Consolidation

In the opinion of the directors, the company and its subsidiary undertakings comprise a small group. The company has therefore taken advantage of the exemption provided by Section 248 of the Companies Act 1985 not to prepare group accounts.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

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:

Motor Vehicles	- 25% reducing balance
Equipment	- 15% reducing balance

Trailers (included in motor vehicles) are depreciated at a rate of 10% straight line, based upon the book value as at 1st April 1999. New trailers are written off over 10 years.

Stocks

Stock of fuel is valued at cost.

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the Profit and Loss Account on a straight line basis.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Deferred taxation

Provision is made, under the liability method, to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for tax purposes. Tax deferred or accelerated is accounted for in respect of all material timing differences to the extent that it is considered that a net liability may arise.

HAULAGE EXPRESS LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 2002

2. FIXED ASSETS

	Tangible Fixed Assets £
COST	
At 1st April 2001	1,305,320
Additions	264,900
At 31st March 2002	<u>1,570,220</u>
DEPRECIATION	
At 1st April 2001	774,831
Charge for year	101,386
At 31st March 2002	<u>876,217</u>
NET BOOK VALUE	
At 31st March 2002	<u>694,003</u>
At 31st March 2001	<u>530,489</u>

3. DEBTORS

Debtors include amounts of £60,000 (2001 - £nil) falling due after more than one year.

4. SHARE CAPITAL

Authorised share capital:

	2002 £	2001 £
400,000 Ordinary shares of £1.00 each	<u>400,000</u>	<u>400,000</u>

Allotted, called up and fully paid:

	2002 £	2001 £
Ordinary share capital	<u>400,000</u>	<u>400,000</u>

5. ULTIMATE PARENT COMPANY

The directors consider Fred Proudfoot Limited, a company registered in England and Wales, to be the ultimate parent undertaking.