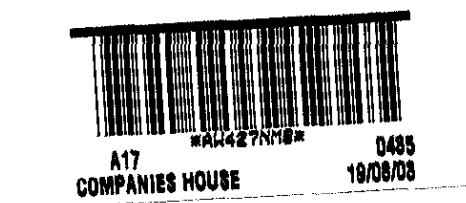


**THE REGISTRAR
OF COMPANIES**

**HAULAGE EXPRESS LIMITED
ABBREVIATED ACCOUNTS**

31ST MARCH 2003



ARMSTRONG WATSON

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

HAULAGE EXPRESS LIMITED

ABBREVIATED ACCOUNTS

YEAR ENDED 31ST MARCH 2003

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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 5, together with the financial statements of the company for the year ended 31st March 2003 prepared under Section 226 of the Companies Act 1985.

This report is made solely to the company's shareholders, as a body, in accordance with Section 247B of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in an auditors' 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

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 5 are properly prepared in accordance with those provisions.

Fairview House
Victoria Place
Carlisle
Cumbria
CA1 1HP

11th August 2003

ARMSTRONG WATSON
Chartered Accountants
& Registered Auditors

Armstrong Watson

HAULAGE EXPRESS LIMITED

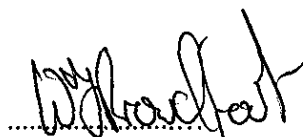
ABBREVIATED BALANCE SHEET

31ST MARCH 2003

	Note	2003 £	2002 £
FIXED ASSETS	2		
Tangible assets		986,312	694,003
CURRENT ASSETS			
Stocks		22,826	15,811
Debtors	3	<u>497,180</u>	<u>509,246</u>
		520,006	525,057
CREDITORS: Amounts falling due within one year		<u>562,922</u>	<u>416,293</u>
NET CURRENT (LIABILITIES)/ASSETS		(42,916)	108,764
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>943,396</u>	<u>802,767</u>
CREDITORS: Amounts falling due after more than one year		339,006	196,928
PROVISIONS FOR LIABILITIES AND CHARGES		<u>16,368</u>	<u>16,368</u>
		<u>588,022</u>	<u>589,471</u>
CAPITAL AND RESERVES			
Called-up equity share capital	4	400,000	400,000
Profit and loss account		<u>188,022</u>	<u>189,471</u>
SHAREHOLDERS' FUNDS		<u>588,022</u>	<u>589,471</u>

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

These abbreviated accounts were approved by the directors on 8/8/03 and are signed on their behalf by:



W.J. PROUDFOOT

The notes on pages 3 to 5 form part of these abbreviated accounts.

HAULAGE EXPRESS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31ST MARCH 2003

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 June, 2002.

Consolidation

The company was, at the end of the year, a subsidiary of another company incorporated in the EEC and in accordance with section 228 of the Companies Act 1985, is not required to produce, and has not published, consolidated accounts.

Turnover

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

Fixed assets

All fixed assets are initially recorded at cost.

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
Plant	- 15% 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.

HAULAGE EXPRESS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31ST MARCH 2003

1. ACCOUNTING POLICIES *(continued)*

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold;

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

2. FIXED ASSETS

	Tangible Assets £
COST	
At 1st April 2002	1,570,220
Additions	538,250
Disposals	(328,226)
At 31st March 2003	<u>1,780,244</u>
DEPRECIATION	
At 1st April 2002	876,217
Charge for year	191,678
On disposals	(273,963)
At 31st March 2003	<u>793,932</u>
NET BOOK VALUE	
At 31st March 2003	<u>986,312</u>
At 31st March 2002	<u>694,003</u>

3. DEBTORS

Debtors include amounts of £Nil (2002 - £60,000) falling due after more than one year.

HAULAGE EXPRESS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31ST MARCH 2003

4. SHARE CAPITAL

Authorised share capital:

	2003	2002
	£	£
400,000 Ordinary shares of £1 each	<u>400,000</u>	<u>400,000</u>

Allotted, called up and fully paid:

	2003		2002	
	No	£	No	£
Ordinary shares of £1 each	<u>400,000</u>	<u>400,000</u>	<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.