EVANS HALSHAW (NORTHERN) LIMITED

DIRECTORS' REPORT AND

FINANCIAL STATEMENT

31 DECEMBER 2002

COMPANY REG NO 123595 ENGLAND

EVANS HALSHAW (NORTHERN) LIMITED

DIRECTORS' REPORT

The directors have pleasure in submitting their report and financial statement for the year ended 31 December 2002.

Activities

The Company has not traded during the year.

Directors

The directors who held office during the year are as follows:

EVANS HALSHAW MOTORS LIMITED

No director had any beneficial interest in the shares of the Company at any time during the year.

Auditors

In accordance with Section 249AA of the Companies Act 1985, the company was entitled to exemption from the requirement to have its financial statements for the financial year ended 31 December 2002 audited.

By Order of the Board

H C Sykes
Secretary

20 February, 2003

EVANS HALSHAW (NORTHERN) LIMITED

BALANCE SHEET

As at 31 December 2002

	2002	2001
	£	£
CURRENT ASSET - due after one year		
Amounts owed by fellow subsidiary	1,161,024	1,161,024

CAPITAL AND RESERVES

	Authorised	Allotted, called up and fully paid	2002	2001
Share capital Ordinary shares of £1 each	2,000	1,917	1,917	1,917
Profit and loss account			1,159,107	1,159,107
			1,161,024	1,161,024

The directors:

(a) confirm that the company was entitled to exemption under sub-section (1) of Section 249AA of the Companies Act 1985 from the requirement to have its financial statements for the financial year ended 31 December 2002 audited.

(b) confirm that members have not required the company to obtain an audit of its financial statements for that financial year in accordance with sub-section (2) of Section 249B(2) of that Act.

(c) 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 year and of its profit or loss for the financial year in accordance with the requirements of Section 226 of that Act and which otherwise comply with the requirements of that Act relating to financial statements, so far as applicable to the company.

Approved on behalf of the Board

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Evans Halshaw Motors Limited
Director

20 February, 2003

Notes
(forming part of the financial statement)

1. The financial statement has been prepared under the historical cost convention and in accordance with section 228 of, and Schedule 4 to, the Companies Act 1985.

2. The ultimate holding company is Pendragon PLC, a company incorporated in Great Britain and registered in England. Copies of that company's financial statements can be obtained from Loxley House, 2 Oakwood Court, Little Oak Drive, Annesley, Notts NG15 0DR.