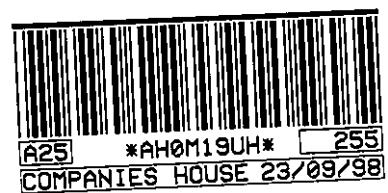


READES OF TELFORD LIMITED

DIRECTORS' REPORT AND
FINANCIAL STATEMENT

31 DECEMBER 1997

COMPANY REG NO 02591363 ENGLAND



READES OF TELFORD LIMITED

DIRECTORS' REPORT

The directors have pleasure in submitting their report and financial statement for the year ended 31 December 1997.

Activities

The Company has not traded during the year.

Directors

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

MR A B ARCHER	Resigned 07/05/98
MR C D E CAMERON	
EVANS HALSHAW MOTORS LIMITED	Appointed 07/05/98

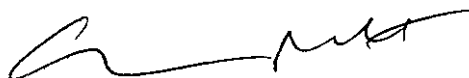
No director had any beneficial interest in the shares of the company at any time during the year.

Mr A B Archer and Mr C D E Cameron are all directors of the ultimate parent undertaking, Evans Halshaw Holdings plc, and their interest in the shares of group undertakings are disclosed in the financial statements of that company.

Auditors

Throughout the year the company was dormant within the meaning of Section 250 of the Companies Act 1985 and, accordingly, no auditors were appointed.

By Order of the Board



A J Pitt
Secretary

1 August 1998

READES OF TELFORD LIMITEDBALANCE SHEETAs at 31 December 1997

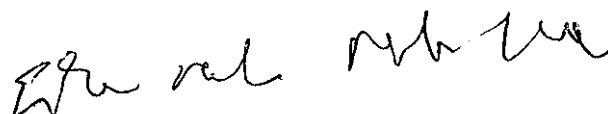
	1997 £	1996 £
CURRENT ASSET - due after one period		
Amount owed by parent undertaking	2	2

CAPITAL AND RESERVES

	<u>Authorised</u>	<u>Allotted, called up and fully paid</u>	
Share capital			
Ordinary			
shares of £1			
each	1,000	2	2
		2	2

The company has been dormant (within the meaning of section 250 of the Companies Act 1985) throughout the year ended 31 December 1997.

Approved on behalf of the Board



.....
Evans Halshaw Motors Limited
Director

1 August 1998

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 Evans Halshaw Holdings plc, a company incorporated in Great Britain and registered in England. Copies of that company's financial statements can be obtained from 4 Highlands Court, Cranmore Avenue, Shirley, Solihull, West Midlands B90 4LE.