

GLOBALDRIVE (UK) PLC
FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2006

FRIDAY



"LNQHWZDN"

LD4

02/05/2008

110

COMPANIES HOUSE

GLOBALDRIVE (UK) PLC

FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2006

CONTENTS	PAGE
Officers and professional advisers	1
The directors' report	2 to 4
Independent auditors' report to the shareholders	5
Income statement	6
Statement of changes in equity	6
Balance sheet	7
Cashflow statement	8
Notes to the financial statements	9 to 22

GLOBALDRIVE (UK) PLC

OFFICERS AND PROFESSIONAL ADVISERS

The board of directors

Wilmington Trust SP Services (London) Limited
Mr M McDermott
Mr J C Schroeder

Company secretary

Wilmington Trust SP Services (London) Limited

Registered office

c/o Wilmington Trust SP Services (London) Limited
Tower 42 (Level 11)
25 Old Broad Street
London
EC2N 1HQ

Auditors

PricewaterhouseCoopers LLP
Chartered Accountants
& Registered Auditors
Hays Galleria
1 Hays Lane
London
SE1 2RD

GLOBALDRIVE (UK) PLC

THE DIRECTORS' REPORT

FOR THE PERIOD ENDED 31 DECEMBER 2006

The directors present their report and audited financial statements of the Globaldrive (UK) plc (the "Company") for the period ended 31 December 2006. During the current financial period the Company changed its financial reporting date to 31 December to bring it in line with the financial reporting date of FCE Bank plc, the "Originator" of the vehicle finance receivables. As a result the financial period reported in these financial statements is a fifteen-month period ended 31 December 2006 and the comparative period is for the year ended 30 September 2005.

PRINCIPAL ACTIVITY AND BUSINESS REVIEW

The principal activity of the Company is to raise finance, providing its assets as security for such purposes, in order to invest in and acquire finance receivables under conditional sale agreements and hire purchase agreements and administer the same. No addition to this activity is envisaged at present.

In November 2000 the company issued Floating Rate Notes in order to purchase from FCE Bank plc, at book value, £250 million of vehicle finance receivables. The beneficial interest in the vehicle finance receivables was assigned to a trustee to be held, under the terms of the Receivables Trust, for the benefit of Globaldrive (UK) plc. Under the terms of the purchase of the vehicle finance receivables and the issue of the Floating Rate Notes, the company's income consists solely of sums due to the company under the terms of the Receivables Trust to meet interest and capital repayments on notes, taxation liabilities, fees, interest costs (including receivables and payables under interest rate swap agreements) and certain expenses associated with carrying out its business.

FCE Bank plc provided an interest bearing subordinated loan of £1.25 million to Globaldrive (UK) plc in November 2000. This was used to establish a reserve fund to provide protection against shortfalls in respect of the assigned vehicle finance receivables. FCE Bank plc also provided a loan to the Company of £460,373 in respect of issue costs and a stamp duty subordinated loan of £800,000. The stamp duty subordinated loan was used to establish a stamp duty reserve fund to finance the payment of stamp duty relating to Assigned Receivables governed by Scots law in the event that this is necessary should FCE Bank plc become insolvent.

The purchase of the vehicle finance receivables was financed by the issue of two classes of Floating Rate Notes which are listed on the London Stock Exchange.

Under a servicing agreement, FCE Bank plc administered the vehicle finance receivables in return for a fee.

On 21 December 2005 the company redeemed all the remaining outstanding Floating Rate Notes and the subordinated and other loans in full in accordance with conditions set out in the Terms and Conditions of the notes as contained in the Offering Circular dated 15 November 2000.

RESULTS AND DIVIDENDS

The trading results for the period and the company's financial position at the end of the period are shown in the attached financial statements. The retained profit for the period was £110,268 (Year ended 30 September 2005 £596,329).

The directors have not declared a dividend during the period ended 31 December 2006 (year ended 30 September 2005 no dividend declared).

FUTURE DEVELOPMENTS

Following the repayment of the outstanding financing of the company in December 2005, the Company is not expected to undertake any further business.

KEY PERFORMANCE INDICATORS

The key performance indicator of the business is considered to be the profit for the period before tax and before changes in fair value of derivative financial instruments. During the current period this amounted to a profit of £13,695 (2005 £436 profit). At the period end the Company had net assets of £26,097 (2005 £84,171 deficit). The change in the net asset position of the Company during the period has been due to the unwinding of the fair values of the derivative financial instruments upon the redemption of the floating rate notes.

GLOBALDRIVE (UK) PLC

THE DIRECTORS' REPORT (continued)

FOR THE PERIOD ENDED 31 DECEMBER 2006

THE DIRECTORS AND THEIR INTERESTS IN SHARES OF THE PARENT COMPANY

The directors who served the company during the period were as follows

Wilmington Trust SP Services (London) Limited

Mr M McDermott

Mr P Jepson

(Resigned 8 November 2006)

Mr J P J Fairrie

(Resigned 20 July 2007)

Mr R G Baker

(Appointed 3 September 2007 and resigned on 28 February 2008)

Mr J C Schroeder

(Appointed on 28 February 2008)

Wilmington Trust SP Services (London) Limited held one share in the company under a nominee declaration of trust for Globaldrive Holdings Limited. No other director holding office during the period was beneficially interested in the shares of the Company. The directors who served the Company during the period who had a beneficial interest in the shares of the ultimate parent company, Globaldrive Holdings Limited, are as follows

Ordinary shares of £1 in the parent company
(Globaldrive Holdings Limited)

	At 31 December 2006	At 30 September 2005
Wilmington Trust SP Services (London) Limited	<u>3</u>	<u>3</u>

The shareholding of Wilmington Trust SP Services (London) Limited comprised 100% of the issued share capital of Globaldrive Holdings Limited as at 31 December 2006

PRINCIPAL RISKS AND UNCERTAINTIES

FCE Bank plc manages the vehicle finance receivables portfolio under the servicer agreement with the Company. In managing the vehicle finance receivables portfolio, FCE Bank plc applies their formal structure for managing risk, including established risk limits, reporting lines, mandates and other control procedures

Interest rate risk

The Company's assets consisted primarily of a deemed loan representing fixed-rate vehicle finance receivables which are primarily funded by floating rate notes issued as part of a securitisation transaction. To manage this interest rate risk interest rate swaps were entered into at the start of a securitisation transaction to change the interest characteristics of the debt to match, within a tolerable range, the interest rate characteristics of the assets

After taking into consideration the Company's derivative instruments, the administered interest rate nature of the Company's deemed loan, the regular re-pricing of the Company's notes, together with the nature of the Company's other assets and liabilities, the directors do not believe that the Company has any significant interest rate re-pricing exposure

Credit risk

Credit risk on the deemed loan to the Originator is considered to be minimal because the directors do not expect the amount of incurred credit losses on the Originator's securitised vehicle receivables to customers to exceed the amount of credit enhancement supplied by the Originator

Liquidity risk

The Company's policy is to manage liquidity risk through its use of its subordinated loans and excess spread. As the length of the loan notes is designed to match the length of the vehicle receivables underlying the loan to the Originator, there are deemed to be limited liquidity risks facing the Company. At 31 December 2006 the company had no floating rate notes outstanding as all of the financing of the Company had been repaid on 21 December 2005

Currency risk

All of the Company's assets and liabilities are denominated in Sterling ("£"), and therefore there is no foreign currency risk

GLOBALDRIVE (UK) PLC

THE DIRECTORS' REPORT (continued)

FOR THE PERIOD ENDED 31 DECEMBER 2006

CREDITOR PAYMENT POLICY

The Company's policy concerning the payment of its trade creditors is to pay in accordance with its contractual and other legal obligations. All creditors are paid in accordance with the payment waterfalls set out in the securitisation transaction documents on the respective quarterly interest payment dates.

ADOPTION OF INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRS")

The Company has adopted IFRS's for the first time during the current period. Application of IFRS to the 2005 comparatives has had no impact on the reported profit for the year ended 30 September 2005.

Full disclosures are given in the notes to these financial statements for the period ended 31 December 2006 that explain the financial effects of transition to IFRSs.

DIRECTORS' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable laws and regulations.

Company law requires the directors to prepare financial statements for each financial period. Under the law the directors have elected to prepare financial statements in accordance with IFRSs as adopted by the European Union.

The directors are required by UK Company Law to prepare financial statements that give a true and fair view of the financial position of the Company as at the end of the financial reporting period and of the financial performance for that period. In preparing the financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are prudent and reasonable,
- state whether they have been prepared in accordance with IFRSs as adopted by the EU, and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors confirm that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

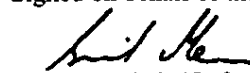
Each of the directors confirms that

- so far as the directors are aware, there is no relevant audit information of which the Company's auditors are unaware, and
- they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

AUDITORS

A resolution to reappoint PricewaterhouseCoopers LLP as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

Signed on behalf of the directors



Sunil Masson
Authorised Signatory

For and on behalf of

WILMINGTON TRUST SP SERVICES (LONDON) LIMITED

Company Secretary

Date 1 May 2008

GLOBALDRIVE (UK) PLC

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GLOBALDRIVE (UK) PLC

We have audited the financial statements (the "financial statements") of Globaldrive (UK) PLC (the "Company") for the period ended 31 December 2006 which comprise the Income Statement, the Statement of Changes in Equity, the Balance Sheet, the Cash Flow Statement and the related notes. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the Company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

We report to you our opinion as to whether the financial statements give a true and fair view and have been properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. The other information comprises only the Directors' Report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of audit opinion

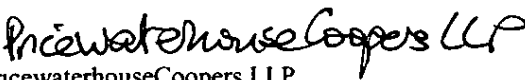
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with IFRSs as adopted by the European Union, of the state of the Company's affairs as at 31 December 2006 and of its profit and cash flows for the fifteen-month period then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985,
- the information given in the Directors' Report is consistent with the financial statements.


PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
London
Dated 1 May 2008

GLOBALDRIVE (UK) PLC

INCOME STATEMENT

FOR THE PERIOD ENDED 31 DECEMBER 2006

	Note	1 Oct 2005 to 31 Dec 2006 £	1 Oct 2004 to 30 Sept 2005 £
Interest income	3	486,373	4,863,266
Interest expense and similar charges	4	<u>(369,374)</u>	<u>(4,551,925)</u>
Net interest income		116,999	311,341
Changes in fair value of derivative financial instruments	10	143,985	851,274
Administrative expenses	5	<u>(103,304)</u>	<u>(310,905)</u>
Profit before tax for the period/year		157,680	851,710
Taxation	6	<u>(47,412)</u>	<u>(255,381)</u>
Profit for the period/year	12	<u>110,268</u>	<u>596,329</u>
Attributable to:			
Equity holders		<u>110,268</u>	<u>596,329</u>

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 DECEMBER 2006

	Share Capital £	Retained Earnings £	Total £
Balance at 1 October 2004	12,502	(693,002)	(680,500)
Profit for the year	-	<u>596,329</u>	<u>596,329</u>
Balance at 1 October 2005	12,502	(96,673)	(84,171)
Profit for the period	-	<u>110,268</u>	<u>110,268</u>
Balance at 31 December 2006	<u>12,502</u>	<u>13,595</u>	<u>26,097</u>

The notes on pages 9 to 22 form part of these financial statements

GLOBALDRIVE (UK) PLC**BALANCE SHEET****31 DECEMBER 2006**

	Note	31 Dec 2006 £	30 Sept 2005 £
Current Assets			
Deemed Loan to the Originator	8	-	33,437,218
Other assets	9	-	515,820
Deferred tax	7	-	43,196
Cash and cash equivalents	11	<u>30,205</u>	<u>4,234,031</u>
Total current assets		<u>30,205</u>	<u>38,230,265</u>
Total assets		<u>30,205</u>	<u>38,230,265</u>
Equity			
Issued capital	12	12,502	12,502
Retained earnings	12	<u>13,595</u>	<u>(96,673)</u>
Total equity	12	<u>26,097</u>	<u>(84,171)</u>
Current Liabilities			
Liabilities evidenced by paper	13	-	33,503,629
Subordinated loans	14	-	4,556,730
Other liabilities	16	-	110,092
Derivative financial instruments	10	-	143,985
Tax payable		<u>4,108</u>	-
Total current liabilities		<u>4,108</u>	<u>38,314,436</u>
Total liabilities		<u>4,108</u>	<u>38,314,436</u>
Total equity and liabilities		<u>30,205</u>	<u>38,230,265</u>

These financial statements were approved by the board of directors on 1 May 2008 and are signed on their behalf by



Sunil Masson
Authorised Signatory

On behalf of Wilmington Trust SP Services (London) Limited
Director

The notes on pages 9 to 22 form part of these financial statements

GLOBALDRIVE (UK) PLC

CASH FLOW STATEMENT

FOR THE PERIOD ENDED 31 DECEMBER 2006

	Notes	1 Oct 2005 to 31 Dec 2006 £	1 Oct 2004 to 30 Sept 2005 £
Cash flows from operating activities			
Profit before tax for the period/year		157,680	851,710
<i>Adjustments for</i>			
Interest on liabilities evidenced by paper and subordinated loans		273,548	3,678,995
Changes in fair value of derivative financial instruments		<u>(143,985)</u>	<u>(851,274)</u>
Operating profit before changes in operating assets and liabilities		287,243	3,679,431
Decrease in other assets		515,712	29,227
Decrease in other liabilities		(61,529)	(117,818)
Decrease in the deemed loan to the Originator		<u>33,437,218</u>	<u>82,151,655</u>
Net cash from operating activities before tax		34,178,644	85,742,495
Tax paid in the period/year		-	-
Net cash from operating activities after tax		<u>34,178,644</u>	<u>85,742,495</u>
Cash flows from financing activities			
Redemption of liabilities evidenced by paper		(33,503,629)	(81,854,402)
Subordinated loan (repaid)/funded		(4,556,730)	2,046,356
Interest paid		<u>(322,111)</u>	<u>(3,748,596)</u>
Net cash used in financing activities		<u>(38,382,470)</u>	<u>(83,556,642)</u>
Net (decrease)/increase in cash and cash equivalents		(4,203,826)	2,185,853
Cash and cash equivalents at the beginning of the period/year	11	<u>4,234,031</u>	<u>2,048,178</u>
Cash and cash equivalents at the end of the period/year	11	<u>30,205</u>	<u>4,234,031</u>

Until the 21 December 2005, the date on which the securitisation was redeemed, all withdrawals from the bank accounts were restricted by the detailed priority of payments set out in the securitisation agreements and were not freely available to be used for other purposes

GLOBALDRIVE (UK) PLC

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2006

1 PRINCIPAL ACCOUNTING POLICIES

Globaldrive (UK) plc is a public limited company incorporated and domiciled in the United Kingdom with registered number 04072883.

Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards ('IFRS') and IFRIC interpretations as adopted by the European Union (EU) and with those parts of the Companies Act, 1985 applicable to companies reporting under IFRS. The financial statements have been prepared under the historical cost convention as modified by the revaluation of derivative contracts.

The financial statements were prepared in accordance with UK Generally Accepted Accounting Principles (UK GAAP) until 30 September 2005. The Company has applied IFRS1 "First time adoption of International Financial Reporting Standards" in preparing these financial statements. The IFRS transition date is 1 October 2005. In preparing these financial statements, management has concluded that no changes are required to the accounting and valuation methods of the assets, liabilities, income and expenses of the Company to comply with IFRS. However, certain new disclosures and reclassifications were required to comply with the requirements of IFRS which have been included in these financial statements as explained in Note 19.

The Company mainly transacts in Pounds Sterling ("£"), therefore, Pounds Sterling is its functional currency and the presentational currency.

There are no significant uncertainties or estimates applied in the basis of preparing these financial statements.

Standards and interpretations not yet adopted

The directors are considering the following standards which are currently in issue but are not yet effective and are not intended to be adopted in the current period financial statements:

IAS 1 'Presentation of Financial Statements – amendment on Capital Management',

IFRS 3 (Revised) 'Business Combinations',

IFRS 7 'Financial Instruments Disclosures',

IFRS 8 'Operating Segments',

IAS 27 (Revised) 'Consolidated and Separate Financial Statements',

IFRIC 8 'Scope of IFRS 2' addresses the issue of whether IFRS 2 'Share-Based Payments' applies to transactions in which the entity cannot identify specifically some or all of the goods or services received.

IFRIC 9 'Reassessment of Embedded Derivatives' prohibits reassessment of the treatment of embedded derivatives subsequent to initial recognition unless there is a change in the terms of the contract that significantly modifies the cash flows that otherwise would be required under the contract, in which case reassessment is required.

IFRIC 10 'Interim Financial Reporting and Impairment' states that any impairment losses on goodwill and certain financial assets recognised in an interim financial statement may not be reversed in subsequent interim or annual financial statements.

IFRIC 11 'IFRS 2 – Group and Treasury Share Transactions' provides guidance on whether share-based transactions involving treasury shares or involving subsidiary undertakings (for instance, options over a parent's shares) should be accounted for as equity-settled or cash-settled share-based payment transactions.

IFRIC 12 'Service Concession Arrangements' effective for years beginning on or after 1 January 2008.

GLOBALDRIVE (UK) PLC

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2006

1. PRINCIPAL ACCOUNTING POLICIES (continued)

Standards and interpretations not yet adopted (continued)

IFRIC 13 'Customer Loyalty programmes' effective for years beginning on or after 1 July 2008

IFRIC 14 'Limit on a defined Benefit Asset, Minimum Funding Requirements and their interaction' effective for years beginning on or after 1 January 2008

The directors do not anticipate that the adoption of these standards and interpretations will have a material impact on the company's financial statements in the period of initial application

Upon the adoption of IFRS 7, the Group will have to disclose additional information about its financial instruments, their significance and the nature and extent of the risks that they give rise to. More specifically the company will need to disclose the fair value of its financial instruments and its risks in greater detail. There will be no effect on reported income or net assets.

A summary of the more important accounting policies which have been used for the preparation of these financial statements is set out below, together with an explanation of where changes have been made to previous policies on the adoption of new accounting standards in the period.

Interest income and interest expense

Interest income and expense for all interest-bearing financial instruments are recognised within 'interest income' and 'interest expense' in the income statement using the effective interest method.

Financial assets and liabilities

The Company classifies its financial assets and liabilities into two categories: financial assets/liabilities at fair value through profit or loss and carried at amortised cost using effective interest method.

The Company's derivative instruments are classified as either financial assets or liabilities at fair value through profit or loss. These derivatives are accounted for as set out in the 'derivative financial instruments' accounting policy set out below.

Legal ownership of vehicle finance receivables is classified as 'Deemed loan to the Originator' and is carried at amortised cost using the effective interest method. All other financial assets and liabilities are carried at amortised cost using the effective interest method.

Deemed loan to the Originator

The legal ownership of the vehicle finance receivables sold to the Company by the Originator fail the derecognition criteria of IAS 39 and, therefore, these loans remain on the balance sheet of the Originator. The Originator recognises a "deemed loan" financial liability on its balance sheet and the resulting "deemed loan" asset is held on the Company's balance sheet. This deemed loan initially represents the consideration paid by the Company in respect of the acquisition of the legal ownership of the vehicle finance receivables and is subsequently adjusted due to repayments made by the Originator to the Company. The deemed loan is carried at amortised cost using the effective interest method.

Derivative financial instruments

The Company uses derivative financial instruments to economically hedge its exposure to interest rate risk arising from its activities. In accordance with its policy, the Company does not hold or issue derivative financial instruments for trading purposes.

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at their fair value with gains and losses recognised in the income statement. Fair values are obtained from quoted market prices in active markets, including recent market transactions and valuation techniques, including discounted cash flow models and options pricing models, as appropriate. All derivatives are carried as assets when fair value is positive and as liabilities when fair value is negative.

GLOBALDRIVE (UK) PLC

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2006

1. PRINCIPAL ACCOUNTING POLICIES (continued)

Liabilities evidenced by paper

Liabilities evidenced by paper are notes issued by the Company. These loan notes were initially recognised at fair value net of transaction costs incurred and are subsequently stated at amortised cost using the effective interest method.

Cash and cash equivalents

For the purposes of the Cash flow Statement, cash and cash equivalents comprise balances with less than 3 months maturity from the date of initial recognition. Until the 21 December 2005, the date on which the securitisation was redeemed, all withdrawals from the bank accounts were restricted by the detailed priority of payments set out in the securitisation agreements and were not freely available to be used for other purposes.

Taxation

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity. Deferred tax is determined using tax rates and laws that have been enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled. Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Income tax payable on profits is based on applicable tax law and is calculated at rates of tax enacted at the balance sheet date. Income tax payable is recognised as an expense in the period in which the profits arise. The tax effects of income tax losses available for carry forward are recognised as an asset when it is probable that future taxable profits will be available which these losses can be utilised against.

2. SEGMENTAL REPORTING

The principal asset of the Company is the deemed loan to the Originator which is originated in the UK and funded by floating rate loan notes issued in the UK. All cash is held in the UK. The directors do not use any other segments for the purpose of managing the Company and further segmental reporting is not considered necessary.

3. INTEREST INCOME

Interest income represents the interest income on deemed loan to the Originator.

	1 Oct 2005 to 31 Dec 2006 £	1 Oct 2004 to 30 Sept 2005 £
Interest income on deemed loan to the Originator	<u>486,373</u> <u>486,373</u>	<u>4,863,266</u> <u>4,863,266</u>

4. INTEREST EXPENSE AND SIMILAR CHARGES

	1 Oct 2005 to 31 Dec 2006 £	1 Oct 2004 to 30 Sept 2005 £
Interest expense on liabilities evidenced by paper and subordinated loans	273,548	3,678,995
Net interest payments on interest rate swaps	<u>95,826</u> <u>369,374</u>	<u>872,930</u> <u>4,551,925</u>

GLOBALDRIVE (UK) PLC

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE PERIOD ENDED 31 DECEMBER 2006

5. ADMINISTRATIVE EXPENSES

	1 Oct 2005 to 31 Dec 2006	1 Oct 2004 to 30 Sept 2005
	£	£
Management fees	4,537	17,798
Servicing fees	1,949	21,045
Rating agency fees	7,807	12,292
Legal and professional	-	9,577
Accountancy fees	5,875	5,287
Audit fees	9,688	10,750
Tax fees	881	-
Other	72,297	233,376
Bank charges	270	780
	<u>103,304</u>	<u>310,905</u>

Apart from the directors, the Company has no employees (2005 nil) Other than the management and accounting fees paid of £10,412 (2005 £23,085) (including irrecoverable VAT) to Wilmington Trust SP Services (London) Limited under the terms of a Corporate Services Agreement for the services of Wilmington Trust SP Services (London) Limited, Mr M McDermott, Mr J C Schroeder and Mr R G Baker, the directors received no remuneration during the period or prior year

6. TAXATION

(a) Analysis of charge in the period

	1 Oct 2005 to 31 Dec 2006	1 Oct 2004 to 30 Sept 2005
	£	£
Current tax:		
Corporation tax charge for the period	4,108	-
Adjustment to prior year corporation tax charge	108	-
Deferred tax:		
Deferred tax charge for the period	43,196	255,381
Total current tax	<u>47,412</u>	<u>255,381</u>

(b) Reconciliation of effective tax rate

The tax assessed on the profit on ordinary activities for the period is lower than (2005 lower than) the standard rate of corporation tax in the UK of 30% (2005 30%)

	1 Oct 2005 to 31 Dec 2006	1 Oct 2004 to 30 Sept 2005
	£	£
Profit before tax	<u>157,680</u>	<u>851,710</u>
Profit before tax multiplied by the standard rate of corporation tax in the UK of 30% (2005 30%)	47,304	255,513
Adjustment to prior year corporation tax charge	108	-
Effect on nil rate band	-	(132)
Total income tax charge	<u>47,412</u>	<u>255,381</u>

GLOBALDRIVE (UK) PLC

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE PERIOD ENDED 31 DECEMBER 2006

6 TAXATION (continued)

The Finance Act 2005 provided that corporation tax for a 'securitisation company' within the meaning of the Act, would be calculated with reference to UK GAAP as applicable up to 31 December 2004, for accounting periods ending by 1 January 2008

The directors are satisfied that this Company meets the definition of a 'securitisation company' as defined by both The Finance Act 2005 and subsequent secondary legislation and that no incremental unfunded tax liabilities will arise

As at 31 December 2006, there are no tax-related contingent assets or contingent liabilities in accordance with International Accounting Standard No 37 'Provisions, Contingent Liabilities and Contingent Assets' (IAS37)

7. DEFERRED TAX

	31 Dec 2006	30 Sept 2005
Deferred tax asset	£	
At start of the period	43,196	298,577
Charge to income for the period	(43,196)	(255,381)
At 31 December	<u>-</u>	<u>43,196</u>

The deferred tax asset of £43,196 represents the amount of deferred tax in respect of the fair value of the derivative financial instrument held by the Company as at 31 September 2005

8. DEEMED LOAN TO THE ORIGINATOR

	31 Dec 2006	30 Sept 2005
	£	£
Deemed loan to the Originator (related to vehicle finance receivables)	<u>-</u>	<u>33,437,218</u>

The deemed loan to the originator comprises of the amount of scheduled principal payments outstanding on the vehicle finance receivables sold by FCE Bank plc and financed by the notes issued. FCE Bank plc continues to service these vehicle finance receivables for which it receives a fee from the company. The deemed loan to the originator is repaid as and when the cash is received by the Originator from its customers towards repayments of the vehicle finance receivables.

The effective interest rate on the deemed loan during the period / year was 6.8% (2005 9.4%)

The directors do not expect the amount of incurred credit losses on the Originator's securitised vehicle receivables to customers to exceed the amount of subordinated loans supplied by the Originator.

GLOBALDRIVE (UK) PLC

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE PERIOD ENDED 31 DECEMBER 2006

9. OTHER ASSETS

	31 Dec 2006	30 Sept 2005
	£	£
Corporation tax recoverable	-	108
Amounts due from group undertakings	-	43,618
Prepayments and accrued income	-	472,094
	<u>-</u>	<u>515,820</u>

10. DERIVATIVE FINANCIAL INSTRUMENTS

The gain or loss on re-measurement of the fair value of the derivative financial instruments is taken to the income statement. The fair values of interest rate swap contracts have been determined by reference to market prices. The fair values of derivative instruments held are set out in the following table.

	Original notional amount £	Assets £	Liabilities £
Interest rate swaps			
At 30 September 2005	200,000,000	-	143,985
Changes in fair value	-	-	(143,985)
30 September 2006	<u>-</u>	<u>-</u>	<u>-</u>

11. CASH AND CASH EQUIVALENTS

Until the 21 December 2005, the date on which the securitisation was redeemed, all withdrawals from the bank accounts were restricted by the detailed priority of payments set out in the securitisation agreements and were not freely available to be used for other purposes.

	31 Dec 2006	30 Sept 2005
	£	£
Cash and bank current accounts	30,205	57,407
Bank deposit accounts	-	4,176,624
	<u>30,205</u>	<u>4,234,031</u>

12. TOTAL EQUITY

Reconciliation of movement in capital and reserves

	Share capital £	Retained earnings £	Total £
Balance at 1 October 2005	12,502	(96,673)	(84,171)
Profit for the period	-	110,268	110,268
Balance at 31 December 2006	<u>12,502</u>	<u>13,595</u>	<u>26,097</u>

	Share capital £	Retained earnings £	Total £
Balance at 1 October 2004	12,502	(693,002)	(680,500)
Profit for the year	-	596,329	596,329
Balance at 1 September 2005	<u>12,502</u>	<u>(96,673)</u>	<u>(84,171)</u>

There are 50,000 authorised ordinary shares of £1 each (2005 50,000). The issued share capital consists of 2 (2005 2) fully paid ordinary share and 49,998 (2005 49,998) quarter paid ordinary shares.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

GLOBALDRIVE (UK) PLC

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE PERIOD ENDED 31 DECEMBER 2006

13. LIABILITIES EVIDENCED BY PAPER

	31 Dec 2006	30 Sept 2005
	£	£
Senior floating rate notes	-	23,577,970
Junior floating rate notes	-	10,000,000
Unamortised issue costs and discount	-	(74,341)
Total	-	33,503,629

The floating rate notes were due for final repayment in November 2010 and were listed on the Luxembourg Stock Exchange. They were secured by means of a fixed and floating charge over the pool of vehicle finance receivables. The repayment of the notes was dependent on the receipt of the payments from the vehicle finance receivables purchased.

Interest on the notes was payable on a monthly basis at one month sterling LIBOR plus the following margins: 0.23% for the senior notes, 0.65% for the junior floating rate notes.

The floating rate notes were redeemed in full on 21 December 2005 when the principal amount outstanding became 10% of the initial principal amount outstanding on issue.

The directors believe that the Company did not have any defaults on principal, interest or any other breaches with respect to the floating rate loan note liabilities during the period ended 31 December 2006 and the year ended 30 September 2005.

14. SUBORDINATED LOANS

	31 Dec 2006	30 Sept 2005
	£	£
Subordinated loan	-	3,296,357
Loan from FCE Bank	-	460,373
Stamp duty subordinated loan	-	800,000
	-	4,556,730

The subordinated loan, the loan from FCE Bank and the stamp duty subordinated loan were made available by FCE Bank plc. Interest on the subordinated loan was payable on a monthly basis at LIBOR plus 1.2% p.a. until 31 March 2005. Following 31 March 2005, the subordinated loan did not bear interest. The stamp duty subordinated loan and loan from FCE Bank did not bear interest.

15. FINANCIAL INSTRUMENTS

The principal risks and uncertainties are set out in the Directors' Report on page 3.

The Company's financial instruments, other than derivative financial instruments, were comprised of a deemed loan to the Originator, cash and cash equivalents, liabilities evidenced by paper, subordinated loans and various receivables and payables that arise directly from its operations. The Company was exposed to interest rate risk as the Company's principal assets were earning interest at a fixed rate but the floating rate notes from which the Company's activities are mostly funded pay interest at a floating rate. The Company manages this risk by entering into interest rate swaps to convert floating interest on the notes to fixed interest. These cover virtually all of its floating rate liabilities and therefore minimises its exposure to fluctuations in interest rates. The tenure of the swaps was matched to the maturity of the underlying notes.

GLOBALDRIVE (UK) PLC

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE PERIOD ENDED 31 DECEMBER 2006

15. FINANCIAL INSTRUMENTS (continued)

The Company's policy remained during the period that no trading in financial instruments was undertaken. The directors have considered the financial risks affecting the Company and have included the relevant disclosures of interest rate, credit, liquidity and currency risks in the Directors' Report. The table below provides details of the fair value of financial assets and liabilities not carried at fair value through profit and loss.

	Note	Carrying amount 31 Dec 2006 £	Fair value 31 Dec 2006 £	Carrying amount 30 Sept 2005 £	Fair value 30 Sept 2005 £
Deemed loan to the Originator	8	-	-	33,437,218	39,726,085
Other assets	9	-	-	515,820	515,820
Deferred tax	7	-	-	43,196	43,196
Cash and cash equivalents	11	30,205	30,205	4,234,031	4,234,031
Liabilities evidenced by paper	13	-	-	(33,503,629)	(39,570,451)
Subordinated loans	14	-	-	(4,556,730)	(4,556,730)
Other liabilities	16	-	-	(110,092)	(110,092)
Derivative financial instruments	10	-	-	(143,985)	(143,985)
Tax payable		<u>(4,108)</u>	<u>(4,108)</u>	-	-
		<u>26,097</u>	<u>26,097</u>	<u>(84,171)</u>	<u>137,874</u>

Effective interest rates and repricing analysis

In respect of income-earning financial assets and interest-bearing financial liabilities, the following table indicates their effective interest rates at 31 December 2006 (30 September 2005) and the periods in which they reprice.

At 31 December 2006	Effective interest rate (%)	Interest type	Total £	Fixed over 1 year £	3 months or less £	Non interest - bearing £
Assets						
Cash and cash equivalents		Floating	<u>30,205</u>	-	<u>30,205</u>	-
			<u>30,205</u>	-	<u>30,205</u>	-
At 30 September 2005						
Assets						
Deemed loan to originator	9.4	Fixed	33,437,218	33,437,218	-	-
Cash and cash equivalents		Floating	<u>4,234,031</u>	-	<u>4,234,031</u>	-
			<u>37,671,249</u>	<u>33,437,218</u>	<u>4,234,031</u>	-
Liabilities						
Senior floating rate notes	4.7	Floating	23,503,629	-	23,577,970	(74,341)
Junior floating rate notes	5.5	Floating	10,000,000	-	10,000,000	-
Subordinated loans		Floating	4,556,730	-	3,296,357	1,260,373
Derivative financial instruments			<u>143,985</u>	-	-	<u>143,985</u>
			<u>38,204,344</u>	-	<u>36,874,327</u>	<u>1,330,017</u>

GLOBALDRIVE (UK) PLC

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE PERIOD ENDED 31 DECEMBER 2006

15. FINANCIAL INSTRUMENTS (continued)

Maturity of financial liabilities

The maturity profile of the Company's financial liabilities at the period end was as follows

	31 Dec 2006	30 Sept 2005
	£	£
Within one year	-	38,204,344
In one to five years	-	-
	<u>-</u>	<u>38,204,344</u>

The above analysis includes floating rate notes amounting to £nil (2005 £33,577,970) of floating rate notes which are due to be repaid in full by 2010. These floating rate notes are expected to be repaid in full ahead of their legal maturity date for repayment and have therefore been included in the above analysis in the periods in which they are expected to be repaid.

16. OTHER LIABILITIES

	31 Dec 2006	30 Sept 2005
	£	£
Amounts owed to group undertakings	-	11,574
Other creditors	-	32,331
Accrued interest	-	48,563
Accruals and deferred income	-	17,624
	<u>-</u>	<u>110,092</u>

17. ULTIMATE PARENT AND CONTROLLING PARTY

The immediate parent of the Company is Globaldrive Holdings Limited, a company registered in England and Wales. The smallest and largest group into which the Company is consolidated is that of Globaldrive Holdings Limited.

The shares in Globaldrive Holdings Limited are held by Wilmington Trust SP Services (London) Limited under a Declaration of Trust for charitable purposes.

The directors regard Globaldrive Holdings Limited as the ultimate parent of the Company. Copies of the consolidated financial statements of Globaldrive Holdings Limited can be obtained by writing to the Company Secretary, c/o Wilmington Trust SP Services (London) Limited, (Level 11), Tower 42, 25 Old Broad Street, London, EC2N 1HQ.

FCE Bank plc has no direct ownership interest in the Company. However, in accordance with IFRS, the results of the Company are included in the consolidated financial statements of the FCE Bank plc.

GLOBALDRIVE (UK) PLC

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE PERIOD ENDED 31 DECEMBER 2006

18. RELATED PARTY TRANSACTIONS

The Company has identified the following transactions which are required to be disclosed under the terms of IAS 24 Related Party Disclosures

The Company is a special-purpose company controlled by its Board of directors, which comprises three directors, Wilmington Trust SP Services (London) Limited, Mr M McDermott and Mr J C Schroeder. Mr M McDermott and Mr J C Schroeder, directors of the Company, are directors of Wilmington Trust SP Services (London) Limited. Mr R G Baker, who was a director of the Company until his resignation and replacement by Mr J C Schroeder, was an employee of Wilmington Trust SP Services (London) Limited. The Company pays a corporate service fee and an accountancy fee to Wilmington Trust SP Services (London) Limited in connection with corporate services received. The fees payable to these directors for their services in the period to 31 December 2006 amounted to £10,412 (including irrecoverable VAT) (Year to 30 September 2005 £23,085).

On November 2000, under the terms of the Globaldrive (UK) plc securitisation, FCE Bank plc sold £250million of vehicle finance receivables to Globaldrive Receivables Trustee Limited to be held on trust for Globaldrive (UK) plc. FCE Bank plc receives a fee equal to 0.03% p.a. of the principal outstanding on the vehicle finance receivables for acting as cash manager and servicer of the vehicle finance receivables. For the period ended 31 December 2006 this fee amounted to £2k (Year ended 30 September 2005 £21k) of which £nil remained unpaid at the period end (30 September 2005 £nil) and is included within other liabilities.

FCE Bank plc provided an interest bearing subordinated loan of £1.25million to Globaldrive (UK) plc in November 2000. At 31 December 2006 £nil was outstanding (30 September 2005 £3,296k) as the subordinated loan was repaid in full during the current period. Interest on the subordinated loan was payable on a monthly basis at 1.2% p.a. During the current period interest on the loan amounted to a credit of £48k due to overprovision of interest (year ended 30 September 2005 £98k charge). FCE Bank plc also provided non-interest bearing loans amounting to £1,260k of which £nil was outstanding at 31 December 2006 (30 September 2005 £1,260k) as the loans were repaid in full during the current financial period.

GLOBALDRIVE (UK) PLC

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE PERIOD ENDED 31 DECEMBER 2006

19. TRANSITION TO IFRS

The following table sets out the effect on the balance sheet and income statement of the transition of the Company to IFRS

Balance Sheet as of 30 September 2005

	Sub-note	30 Sept 2005 UK GAAP £	Transition to IFRS £	30 Sept 2005 IFRS GAAP £
Current Assets				
Deemed loan to the Originator	1 8	-	33,437,218	33,437,218
Debtors falling due within one year	1, 3	34,093,790	(34,093,790)	-
Other assets	3	-	515,820	515,820
Deferred tax	11	-	43,196	43,196
Cash at bank	9	4,234,031	-	4,234,031
Total current assets		<u>38,327,821</u>	<u>(97,556)</u>	<u>38,230,265</u>
Total assets		<u>38,327,821</u>	<u>(97,556)</u>	<u>38,230,265</u>
Equity				
Called up equity share capital	4	12,502	(12,502)	-
Issued capital	4	-	12,502	12,502
Profit and loss account	5	4,115	(4,115)	-
Retained earnings	5	-	(96,673)	(96,673)
Total equity		<u>16,617</u>	<u>(100,788)</u>	<u>(84,171)</u>
Current liabilities				
Creditors amounts falling due within one year	6 7	38,311,204	(38,311,204)	-
Liabilities evidenced by paper	6	-	33,503,629	33,503,629
Subordinated loans	7	-	4,556,730	4,556,730
Other liabilities	8	-	110,092	110,092
Derivative financial instrument	2	-	143,985	143,985
Tax payable		-	-	-
Total current liabilities		<u>38,311,204</u>	<u>3,232</u>	<u>38,314,436</u>
Total liabilities		<u>38,311,204</u>	<u>3,232</u>	<u>38,314,436</u>
Total equity and liabilities		<u>38,327,821</u>	<u>(97,556)</u>	<u>38,230,265</u>

GLOBALDRIVE (UK) PLC

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE PERIOD ENDED 31 DECEMBER 2006

19. TRANSITION TO IFRS (continued)

Income Statement for the year ended 30 September 2005

	Sub note	30 Sept 2005 (UK GAAP) £	Transition to IFRS £	30 Sept 2005 IFRS £
Continuing activities				
Turnover	10	4,863,266	(4,863,266)	-
Interest income	10	-	4,863,266	4,863,266
Cost of sales	10	(4,551,925)	4,551,925	-
Interest expense	10	-	(4,551,925)	(4,551,925)
Net interest income		<u>311,341</u>	-	<u>311,341</u>
Fair value of derivative financial instruments	2	-	851,274	851,274
Administrative expenses		<u>(310,905)</u>	-	<u>(310,905)</u>
Profit/ before tax for the year		<u>436</u>	<u>851,274</u>	<u>851,710</u>
Income tax expense	11	-	(255,381)	(255,381)
Profit for the year		<u><u>436</u></u>	<u><u>595,893</u></u>	<u><u>596,329</u></u>

GLOBALDRIVE (UK) PLC

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE PERIOD ENDED 31 DECEMBER 2006

19. TRANSITION TO IFRS (continued)

Opening Balance Sheet reconciliation as of 1 October 2004

	Sub-note	1 Oct 2004 UK GAAP £	Transition to IFRS £	1 Oct 2004 IFRS GAAP £
Non-current assets				
Deemed loan to the Originator	1, 8	-	49,677,123	49,677,123
Debtors falling due after more than one year	1	49,736,963	(49,736,963)	-
Total non-current assets		<u>49,736,963</u>	<u>(59,840)</u>	<u>49,677,123</u>
Current Assets				
Debtors falling due within one year	1, 3	66,398,343	(66,398,343)	-
Deemed loan to the Originator	8	-	65,911,750	65,911,750
Other assets	3	-	486,593	486,593
Deferred tax	11	-	298,577	298,577
Cash at bank	9	2,048,177	-	2,048,177
Total current assets		<u>68,446,520</u>	<u>298,577</u>	<u>68,745,097</u>
Total assets		<u>118,183,483</u>	<u>238,737</u>	<u>118,422,220</u>
Equity				
Called up equity share capital	4	12,502	(12,502)	-
Issued capital	4	-	12,502	12,502
Profit and loss account	5	3,679	(3,679)	-
Retained earnings	2, 5	-	(693,002)	(693,002)
Total equity		<u>16,181</u>	<u>(696,681)</u>	<u>(680,500)</u>
Non-current liabilities				
Creditors amounts falling due after more than one year	6, 7	52,145,676	(52,145,676)	-
Liabilities evidenced by paper	6	-	49,635,303	49,635,303
Subordinated loans	7	-	2,510,373	2,510,373
Total non-current liabilities		<u>52,145,676</u>	<u>-</u>	<u>52,145,676</u>
Current liabilities				
Creditors amounts falling due within one year	6, 8	66,021,626	(66,021,626)	-
Liabilities evidenced by paper	6	-	65,722,728	65,722,728
Other liabilities	8	-	239,058	239,058
Derivative financial instrument	2	-	995,258	995,258
Tax payable		-	-	-
Total current liabilities		<u>66,021,626</u>	<u>935,418</u>	<u>66,957,044</u>
Total liabilities		<u>118,167,302</u>	<u>935,418</u>	<u>119,102,720</u>
Total equity and liabilities		<u>118,183,483</u>	<u>238,737</u>	<u>118,422,220</u>

GLOBALDRIVE (UK) PLC

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE PERIOD ENDED 31 DECEMBER 2006

19. TRANSITION TO IFRS (continued)

Transition to IFRS

As stated in note 1, these are the Company's first financial statements prepared in accordance with IFRSs and the accounting policies applied in preparing the financial statements are set out in that note

Sub-notes

- 1 Vehicle finance receivables included within debtors falling due within one year and also within debtors falling due after more than one year have been reclassified as a deemed loan to the Originator
- 2 Derivative financial instruments have been included at market value in the balance sheet and the fair value adjustment for the year has been taken to the income statement
- 3 Prepayments and accrued income, other debtors, and amounts due from group undertakings, included within debtors falling due within one year have been reclassified within other assets
- 4 Called up equity share capital has been reclassified as issued capital
- 5 The profit and loss account has been reclassified as retained earnings
- 6 Floating rate notes included within creditors amounts falling due after more than one year and also within creditors amounts falling due within one year have been reclassified as liabilities evidenced by paper
- 7 Subordinated loans included within creditors amounts falling due after more than one year and also within creditors amounts falling due within one year have been disclosed separately on the face of the balance sheet
- 8 Other creditors and accruals and deferred income included within creditors amounts falling due within one year have been reclassified within other liabilities apart from advanced receipts on the vehicle receivables which have been offset against the deemed loan to the Originator
- 9 There is no material difference between the cash flow statement presented under Adopted IFRSs and the cash flow statement presented under UK GAAP
- 10 Turnover has been reclassified as interest income and cost of sales reclassified as interest expense in the income statement
- 11 Deferred tax has been provided on the fair value of the derivative financial instruments