Company Registration Number: 05985701

GLOBALDRIVE (UK) VARIABLE FUNDING I PLC

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2015

GLOBALDRIVE (UK) VARIABLE FUNDING I PLC

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

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GLOBALDRIVE (UK) VARIABLE FUNDING I PLC

OFFICERS AND PROFESSIONAL ADVISERS

AS AT 31 DECEMBER 2015

The board of directors	Wilmington Trust SP Services (London) Limited Mr M H Filer Miss M Clarke
Servicer	FCE Bank Plc
Cash manager	HSBC Bank Plc
Swap counterparty	HSBC Bank Plc
Banker	HSBC Bank Plc
Company secretary	Wilmington Trust SP Services (London) Limited
Registered office	c/o Wilmington Trust SP Services (London) Limited Third Floor 1 King's Arms Yard London EC2R 7AF
Independent Auditors	PricewaterhouseCoopers LLP Chartered Accountants & Statutory Auditors 7 More London Riverside London SE1 2RT
Security trustee	Citicorp Trustee Company Limited Citigroup Centre 14th Floor, Canada Square Canary Wharf London E14 5LB

GLOBALDRIVE (UK) VARIABLE FUNDING I PLC

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2015

The directors present their strategic report of Globaldrive (UK) Variable Funding I plc (the "Company") for the year ended 31 December 2015. The Company is incorporated as a public limited company domiciled in the United Kingdom

GENERAL

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The Company is a special purpose company established solely for the purpose of issuing loan notes and other loans in order to purchase receivables from FCE Bank Plc. Under the terms of the securitisation transaction documents (amended 20 November 2015) the Company has a programme to issue £750,000,000 Class A1, £750,000,000 Class A2, and £750,000,000 Class A3 Variable Funding Notes due 20 December 2022 (together the "Class A Notes"), £33,500,000 Class B1, £33,500,000 Class B2, and £33,500,000 Class B3 Variable Funding Notes due 20 December 2022 (together, the "Class B Notes") and £361,500,000 Class C1, £361,500,000 Class C2, and £361,500,000 Class C3 Variable Funding Notes due 20 December 2022 (together, the "Class C Notes") (the Class A Notes, the Class B Notes and the Class C Notes together being, together with any further notes issued, the "Notes"). However, due to the variable funding requirements of the Company to purchase the receivables from FCE Bank Plc ("FCE"), the initial funding requirement was for £240,313,034 Class A1, £8,585,125 Class B1 and £37,272,678 Class C1 Variable Funding Notes. Since that date the Company has drawn down further Notes. In November 2014 the maturity date of the Notes was extended to January 2022.

At 31 December 2015, £426,887,614 (2014: £300,000,000) Class A and £150,425,575 (2014: £115,853,930) Class C Variable Funding Notes were outstanding of which £150,425,575 (2014: £115,853,930) Class C Variable Funding Notes were held by FCE.

The Company has also entered into a subordinated loan agreement with FCE to establish a reserve fund to provide protection against shortfalls in respect of assigned motor vehicle finance receivables which the Company has acquired an interest in. An initial amount of £8,585,125 was paid into this fund in December 2006. At 31 December 2015 the amounts advanced under the subordinated loan agreement amounted to £5,773,132 (2014: £4,395,248). Any funds in the reserve fund on the termination of the securitisation transaction will be used to repay the subordinated loan granted by FCE.

FCE has assigned rights to receive certain payments from customers under or in respect of contracts with FCE for the conditional sale and hire purchase of vehicles together with their ancillary rights to Globaldrive Receivables Trustee (UK) Two Limited, the Receivables Trustee. These assigned receivables are held on trust for the Company and FCE by the Receivables Trustee pursuant to the receivables trust agreement and the Company has acquired a beneficial interest in the assigned receivables.

All loans are UK only originated loans.

Following a renewal of the transaction on 20 November 2015 the parties to the securitisation transaction documents, with the consent of the Noteholders, agreed to modify a number of terms relating to the transaction. These amendments included, amongst others which were not significant enough to warrant a disclosure, to:

a) increase the Class A1 commitment amount from £300,000,000 to £450,000,000
b) increase the Class A3 commitment amount from £250,000,000 to £450,000,000

PRINCIPAL ACTIVITIES (continued)

During the Revolving Period the Company may use the principal collections received on the assigned receivables to purchase further eligible receivables from FCE, subject to certain conditions, rather than to repay the principal on the outstanding Notes. During the year the Company paid £467,139,291 (2014: £415,387,081) for the eligible receivables which the Company financed by using principal redemption proceeds from the receivables and also by issuing further Notes.

The Notes are listed on the Irish Stock Exchange.

The Company was established, as a special purpose entity, specifically to issue floating rate notes (the "Notes" also known as liabilities evidenced by paper). The principal activities of the Company as stated in the prospectus dated 13 December 2006, are restricted under the terms of the securitisation transaction to issuing the Notes, the acquisition from FCE Bank plc ("FCE") of interests in assigned receivables under a receivables trust and the exercise of related rights and powers and other activities reasonably incidental thereto. The Company's use of derivatives in risk management is explained in the Strategic Report.

REVIEW OF THE BUSINESS

RESULTS

The trading results for the year and the Company's financial position at the end of the year are shown in the attached financial statements. The profit for the year before tax was £1,345,809 (2014: £3,472,962 loss) after a £1,346,529 gain (2014: £3,477,501 loss) from changes in the fair value of interest rate swaps.

The financial statements have been prepared on a going concern basis, even though the Company has negative total equity at 31 December 2015 of £1,802,182 (2014: £3,218,045 negative total equity) which is due to the fair value derivative liability. The negative retained earnings are a result of the fair value movements of the carrying values of the derivative financial instruments entered into to manage the interest rate mismatch between the Company's interest bearing assets and liabilities. At 31 December the fair value of the derivative financial instruments included in non-current liabilities amounted to £1,903,302 (2014: £3,249,831 non-current liabilities). The company is in a net current asset position which supports the Going Concern assumption.

FUTURE DEVELOPMENTS

The activities of the Company are restricted in accordance with the terms of the securitisation transaction. The deemed loan, loan notes, interest income and interest expense are expected to increase over the Revolving Period, which ends in June 2016 following the amended extension of the revolving period, the Company can purchase further interests in assigned receivables under the terms of the securitisation transaction. However, the actual rate of increase will depend on the level of future additions, redemptions and further advances, the company will look to renew the revolving period post June 2016..

KEY PERFORMANCE INDICATORS

The key performance indicator of the business is considered to be the Total Assets and delinquent receivables. As at 31 December 2015, Total Assets were £427,871,258 (2014: £300,903,021). Delinquent purchased receivables were £4,455,861 as at the year end (2014: £4,222,668).

Under the terms of the Notes the Company can repurchase the outstanding Notes at par once the outstanding principal amount of the notes falls below 10% of their initial aggregate principal amount outstanding. At the year end, the Notes outstanding which were not held by FCE as a percentage of their initial aggregate principal amount was 12% (2014: 10%) and the total Notes outstanding, including those held by FCE as a percentage of their initial aggregate principal amount was 16% (2014: 10%).

Early amortisation triggers

The terms of the securitisation transaction include early amortisation triggers which are reported each month by FCE in an Investor Report. At 31 December 2015 the status of these triggers were as follows:

KEY PERFORMANCE INDICATORS (continued)

Test	Result	Status
The Three Month Average Loss Rate is greater than 4%	0.71%	False
Insufficient Credit Enhancement is outstanding	27.22%	False
An Event of Default has occurred	No	False
A Termination Event has occurred	No	False

Insufficient Credit Enhancement is judged to be outstanding if, on any distribution date, the sum of the closing principal balance of the Class B Notes, the Class C Notes and the Reserve Fund less any unreimbursed collateral losses, negative adjustments and principal deficiencies, is less than the closing receivables balance multiplied by the required Class A Note credit enhancement unless:

a) an advance is made under the Class C Notes;
b) an advance is made under the Class B Notes; and /or
c) a further tranche is advanced under the subordinated loan;

which in aggregate is not less than the shortfall and made within 5 business days of the distribution date.

PRINCIPAL RISKS AND UNCERTAINTIES

FCE continues to administer the motor vehicle finance receivables portfolio under the servicer agreement with the Company. In administering the motor vehicle finance receivables portfolio, FCE 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 consist primarily of a deemed loan to FCE (or the "Originator") representing fixed-rate motor vehicle finance receivables which are funded by floating rate notes issued as part of a securitisation transaction. To manage this interest rate risk interest rate swaps are entered into at the start of a securitisation transaction to change the interest characteristics of the floating rate debt to match, within a tolerable range, the interest rate characteristics of the assets, whose interest rates are fixed.

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 interest on the Notes (with the exception of Class C 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 risk exposure.

If a swap agreement is terminated early, termination payments may be payable by the Company and the Company may be unable to meet its obligations under the Notes as payments of such termination amounts rank senior to payment of interest on the Notes.

If a swap agreement is terminated prior to the repayment in whole of the principal on the Notes, the Company will be obliged to enter into an agreement on similar terms with a new swap counterparty, failing which an Event of Default will occur and each Note may become due and payable at its principal amount together with accrued interest thereon.

Credit risk

Credit risk on the deemed loan to the Originator is considered to be minimal because the credit losses on the Originator's securitised motor vehicle receivables are not expected to exceed the amount of credit enhancements supplied by the Originator. The credit enhancements include the excess spread on the receivables underlying the deemed loan to the Originator, the reserve fund financed by a subordinated loan from FCE and the credit enhancement warranty, which allows the Company to draw on the excess spread payable to FCE and the reserve fund. These amounts are available in the event of any shortfall in funds required to be paid to the note holders in accordance with the transaction documents.

The deemed loan to the Originator may become impaired in case of a significant deterioration in the performance of the motor vehicle finance receivables. This could potentially occur as a result of the significant deterioration

PRINCIPAL RISKS AND UNCERTAINTIES (continued)

Credit risk (continued)
of the general economic conditions in the UK in the future. This deterioration may result in higher levels of delinquencies and/or in a larger number of vehicle returns to FCE at the end of the financing contracts, when their market price could be less than currently forecasted and currently observed. The directors estimate that the level of delinquencies in the pool of vehicle finance receivables underlying the deemed loan to the Originator would have to increase significantly from the level as at 31 December 2015 before the credit losses would exceed the amount of credit enhancement warranties provided by the Originator. The credit quality of the underlying motor vehicle receivables is set out in note 13. Based on the historical data available and the abovementioned credit enhancement in place, the probability of both of these scenarios occurring is considered to be remote. The performance of the vehicle finance receivables underlying the deemed loan is closely monitored by the directors, and the deemed loan to the Originator is assessed for evidence of impairment on a regular basis.

Under the terms of the securitisation transaction, the bank accounts of the Company are required to be held at a financial institution which is permitted under the Financial Services and Market Act 2000 to accept deposits (an "eligible institution") and whose short-term unsecured, unsubordinated and unguaranteed debt obligations are rated at least A-1 by Standard & Poor's Rating Service, a division of The McGraw-Hill Companies, Inc. and P-1 by Moody's Investor Services Limited. As at 31 December 2015, should the rating fall below these levels, the Company has to procure the transfer of the relevant bank accounts to an eligible institution within 30 days of the circumstances arising.

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 Notes is designed to match the length of the motor vehicle receivables underlying the loan to the Originator, liquidity risks facing the Company are considered to be minimal.

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

Signed on behalf of the directors

Mr Andreas Demosthenous
For and on behalf of
Wilmington Trust SP Services (London) Limited
Company Secretary

29 June 2016

GLOBALDRIVE (UK) VARIABLE FUNDING I PLC

THE DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2015

The directors present their report and the audited financial statements of Globaldrive (UK) Variable Funding I plc (the "Company") for the year ended 31 December 2015.

THE DIRECTORS
The directors of the Company who were in office during the year and up to the date of signing the financial statements were as follows:

Wilmington Trust SP Services (London) Limited
Mr M H Filer
Miss M Clarke

Wilmington Trust SP Services (London) Limited has been appointed as Company Secretary.

INDEMNIFICATION OF DIRECTORS
The company has granted an indemnity to its directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in section 234 of the Companies Act 2006. Such qualifying third party indemnity provision remains in force as at the date of approving the Directors' Report.

FINANCIAL RISK MANAGEMENT
The Company's financial risk management objectives and policies are stated in Note 13 to these financial statements on pages 20 to 22.

DIVIDENDS
The directors have not recommended payment of a dividend for the current or prior year.

INDEPENDENT AUDITORS
A resolution to re-appoint PricewaterhouseCoopers LLP as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 489 of the Companies Act 2006.

DIRECTORS' RESPONSIBILITIES STATEMENT
The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. Under Company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable International Financial Reporting Standards (IFRSs) as adopted by the European Union have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

DIRECTORS' RESPONSIBILITIES STATEMENT (continued)

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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

The directors confirm that:

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

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act of 2006.

Signed on behalf of the directors

Andreas Demosthenous
For and on behalf of
Wilmington Trust SP Services (London) Limited
Company Secretary

29 June 2016

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

REPORT ON THE FINANCIAL STATEMENTS

Our opinion

In our opinion, Globaldrive (UK) Variable Funding I plc's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 December 2015 and of its profit and cash flows for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

What we have audited

The financial statements, included within the Annual Report, comprise:

- the statement of financial position as at 31 December 2015;
- the statement of comprehensive income for the year then ended;
- the statement of cash flows for the year then ended;
- the statement of changes in equity for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in their preparation of the financial statements is IFRSs as adopted by the European Union, and applicable law.

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion, the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

OTHER MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GLOBALDRIVE (UK) VARIABLE FUNDING I PLC (continued)

RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS AND THE AUDIT

Our responsibilities and those of the directors

As explained more fully in the Directors' Responsibilities Statement set out on page 7, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK & Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, 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.

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Drew Haigh

Drew Haigh (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
29 June 2016

GLOBALDRIVE (UK) VARIABLE FUNDING I PLC

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2015

	Note	2015 £	2014 £
Interest income	4	5,787,216	6,260,140
Interest expense and similar charges	5	(5,588,640)	(6,007,834)
Net interest income		198,576	252,306
Net changes in fair value of derivative financial instruments	10	1,346,529	(3,477,501)
Administrative expenses	6	(199,296)	(247,767)
Profit/(loss) before tax for the year		1,345,809	(3,472,962)
Taxation charge	7	(207)	(286)
Profit/(loss) for the year		1,345,602	(3,473,248)
Other comprehensive income		-	-
Total comprehensive income/(expense) for the year		1,345,602	(3,473,248)

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2015

	Share Capital £	Retained Earnings £	Total £
Balance at 31 December 2013	12,502	242,701	255,203
Loss and total comprehensive expense for the year ended 2014	-	(3,473,248)	(3,473,248)
Balance at 31 December 2014	12,502	(3,230,547)	(3,218,045)
Profit and total comprehensive expense for the year ended 2015	-	1,345,602	1,345,602
Balance at 31 December 2015	12,502	(1,884,945)	(1,872,443)

The notes on pages 13 to 25 form part of these financial statements.

GLOBALDRIVE (UK) VARIABLE FUNDING I PLC

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2015

	Note	31 Dec 2015 £	31 Dec 2014 £
Non-current assets			
Deemed loan to the Originator	8	394,888,456	273,528,269
Derivative financial instruments	10	-	-
Total non-current assets		394,888,456	273,528,269
Current assets			
Other assets	9	27,180,260	22,950,662
Cash and cash equivalents	11	5,802,122	4,424,090
Tax		420	-
Total current assets		32,982,802	27,374,752
Total assets		427,871,258	300,903,021
Non-current liabilities			
Liabilities evidenced by paper	12	426,887,614	300,000,000
Derivative financial instruments	10	1,903,302	3,249,831
Total non-current liabilities		428,790,916	303,249,831
Current liabilities			
Other liabilities	14	952,785	870,950
Tax	7	-	285
Total current liabilities		952,785	871,235
Total liabilities		429,743,701	304,121,066
Equity			
Share capital	15	12,502	12,502
Retained earnings		(1,884,945)	(3,230,547)
Total equity		(1,872,443)	(3,218,045)
Total equity and liabilities		427,871,258	300,903,021

These financial statements of Globaldrive (UK) Variable Funding I Plc, Company Registration 05985701 on pages 10 to 25 were approved and authorised for issue by the directors on 29 June 2016 and signed on its behalf by:

Mr Andreas Demosthenous
for and on behalf of
Wilmington Trust SP Services (London) Limited
Director

The notes on pages 13 to 25 form part of these financial statements.

GLOBALDRIVE (UK) VARIABLE FUNDING I PLC

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2015

	Note	2015 £	2014 £
Cash flows from operating activities			
Profit/(loss) before tax for the year		**1,345,809**	(3,472,962)
Adjustments for:			
Interest income on deemed loan to the Originator and bank deposits	**4**	**(5,666,468)**	(6,092,186)
Interest expense on liabilities evidenced by paper held by the Originator	**5**	**3,365,034**	4,791,494
Movement in the fair values of derivative contracts	**10**	**(1,346,529)**	3,477,501
Working capital adjustments			
Increase in other assets		**(4,229,598)**	(6,940,523)
Increase in other liabilities		**81,835**	133,236
Cash used in operating activities		**(6,449,917)**	(8,103,440)
Interest income received		**5,620,147**	6,081,626
Interest paid		**(3,318,712)**	(4,780,935)
Taxes paid		**(912)**	(143)
Net cash flows used in operating activities after tax		**(4,149,394)**	(6,802,892)
Investing activities			
Loans and receivables advanced to Originator		**(133,612,732)**	(83,192,097)
Loans and receivables repaid by Originator		**12,252,545**	33,906,201
Net cash flows from investing activities		**(121,360,187)**	(49,285,896)
Cash flows from financing activities			
Issue of Notes		**277,280,899**	175,000,309
Redemption of Notes		**(150,393,286)**	(124,999,363)
Net cash flows used in financing activities		**126,887,613**	50,000,946
Net increase/(decrease) in cash and cash equivalents		**1,378,032**	(6,087,842)
Cash and cash equivalents at beginning of the year		**4,424,090**	10,511,932
Cash and cash equivalents at end of year	**11**	**5,802,122**	4,424,090

All withdrawals from the Company's bank accounts are restricted by the detailed priority of payments set out in the securitisation agreements and as such the cash and cash equivalents are not freely available to be used.

The notes on pages 13 to 25 form part of these financial statements.

GLOBALDRIVE (UK) VARIABLE FUNDING I PLC

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

1. PRINCIPAL ACCOUNTING POLICIES

Globaldrive (UK) Variable Funding I plc is a public limited company incorporated and domiciled in the United Kingdom with registered number 05985701.

The principal accounting policies which have been used for the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation
These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union, International Financial Reporting Interpretations Committee interpretations and with those parts of the Companies Act 2006 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 Company's functional currency is pounds sterling ("£") since this is the primary economic environment in which the Company operates and therefore the financial statements have been presented in pounds sterling rounded to the nearest pound. The critical accounting estimates applied in the preparation of these financial statements are described in note 2.

Changes in accounting policy and disclosures

i) New and amended standards adopted by the Company
There are two International Financial Reporting Standards (IFRSs) or International Financial Reporting Interpretations Committee (IFRIC) interpretations that are effective for the first time for the financial year beginning on or after 1 January 2015. IFRS 13 'Fair Value Measurement' and Amendment to IFRS 7 'Financial Instruments: Disclosures', these have not had a material impact on the Company.

ii) New standards and interpretations not yet adopted
A number of new standards and amendments to standards and interpretations are effective for annual periods beginning after 1 January 2015, and have not been applied in preparing these financial statements. The directors of the Company do not believe that the adoption at any time in the future of the remaining standards will have any material impact on the amounts reported in these financial statements.

iii) Early adoption of standards and interpretations
The directors have considered new standards, amendments and interpretations issued and available for early adoption for the financial year beginning 1 January 2015 that are relevant to the Company, and have agreed there are no more disclosures to be made. IAS 32 Offsetting Financial Assets and Financial Liabilities has been implemented and has had no material effect on the financial statements.

	Key requirements	Effective date
IFRS 9 – 'Financial Instruments'	IFRS 9 *Financial Instruments* outlines the requirements for the classification and measurement of financial assets, liabilities and impairment.	1 January 2018

1. PRINCIPAL ACCOUNTING POLICIES (continued)

Going concern
The Company meets its day-to-day working capital requirements through collections under the terms of the securitisation transaction. The negative retained earnings are a result of the revaluation of derivative financial instruments entered into to economically manage the interest rate mismatch between the Company's interest bearing assets and liabilities, which are carried at amortised cost, unlike the derivative financial instruments, which are carried at fair value through profit and loss. Projected outflows on the derivative financial instruments are expected to be compensated by an increase in net interest income from financial assets and liabilities other than derivative financial instruments over time.

The directors have undertaken a detailed assessment of the Company's ongoing business model and have made extensive enquiries of the management of the Originator. After making these enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for at least the next 12 months from 30 June 2016. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

Interest income and interest expense
Interest income and expense for all interest-bearing financial instruments are recognised in the statement of comprehensive income using the effective interest method. The effective interest method is a method of allocating the interest income or interest expense over the relevant period so as to achieve a constant periodic rate of interest (effective interest rate) on the carrying amount. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts (excluding future credit losses) through the expected life of the financial instrument or a shorter period, if appropriate, to the net carrying amount of the financial instrument. The effective interest rate discounts cash flows of variable interest instruments to the next interest repricing date except for the premium or discount which reflects the credit spread over the floating rate specified in the instrument, or other variables that are not reset to market rates. Such premiums or discounts are amortised over the whole expected life of the instrument. The present value calculation includes all fees paid or received between parties to the contract that are an integral part of the effective interest rate. Realised interest expense on derivatives goes through the statement of comprehensive income as an income or expense.

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 loans and receivables carried at amortised cost.
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.

Beneficial ownership of motor 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.

Cash and cash equivalents
For the purposes of the statement of cash flows, cash and cash equivalents comprise balances with less than 3 months maturity from the date of initial recognition. All withdrawals from the Company's bank accounts are governed by the detailed priority of payments set out in the securitisation agreements.

Impairment of financial assets carried at amortised cost
The Company assesses at each financial reporting date whether there is objective evidence that a financial asset is impaired. Impairment losses are recognised in the statement of comprehensive income when incurred as a result of one or more events ("loss events") that occurred after the initial recognition of the financial asset and which have an impact on the amount or timing of the estimated future cash flows of the financial asset that can be reliably estimated. The primary factor the Company considers in assessing whether a financial asset is impaired is its overdue status and realisability of related collateral, if any.

1. PRINCIPAL ACCOUNTING POLICIES (continued)

Deemed loan to the Originator
The legal ownership of the motor vehicle finance receivables sold to the Company by FCE Bank plc ("FCE" or the "Originator") fail the recognition criteria of IAS 39 Financial Instruments: Recognition and Measurements and, therefore, these loans remain on the statement of financial position of the Originator. The Originator recognises a "deemed loan" financial liability on its statement of financial position and the resulting "deemed loan" asset is held on the Company's statement of financial position.

The deemed loan initially represents the consideration paid by the Company in respect of the acquisition of the legal ownership of the motor vehicle finance receivables and is subsequently adjusted due to repayments made by the Originator to the Company. The deemed loan is adjusted for the subordinated loan provided by the Originator and the notes retained by the Originator as part of the securitisation transaction, as well as accrued service fees payable to the Originator, provided that the payment of those balances is dependent on the performance of the motor vehicle finance receivables underlying the deemed loan. The deemed loan is carried at amortised cost using the effective interest method.

The deemed loan to the Originator is regularly assessed for impairment, based primarily on the performance of the underlying receivables. A deemed loan would be considered impaired if the cash flows being received from the underlying receivables were to decrease so significantly that no excess spread would be available to be returned to Originator.

Derivative financial instruments
The Company uses derivative financial instruments to manage 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 re-measured at their fair value with gains and losses recognised in the statement of comprehensive income. Fair values are obtained using 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.

Liabilities evidenced by paper
Liabilities evidenced by paper are Notes issued by the Company. These Notes are initially recognised at fair value and are subsequently stated at amortised cost using the effective interest method.

Taxation
The Company has elected to be taxed under The Taxation of Securitisation Companies Regulations 2006 (the "permanent tax regime") under which the Company is taxed by reference to the retained amount as defined in the transaction legal documents.

2. CRITICAL ACCOUNTING ESTIMATES

Certain estimates in the financial statements are based wholly or in part on estimates or assumptions made by the directors. There is, therefore, a potential risk that they may be subject to change in future periods. The most significant of these are as follows:

Fair values
Where financial assets and liabilities are carried at fair value and a quoted price is not available the valuation is based on cash flow models based on independently sourced parameters or internal models based on historic information or comparable data. The accuracy of the calculation would therefore be affected by unexpected market movements or other variances in the operation of models or assumptions used. In preparing these financial statements, the Company determined the fair values of the derivative financial instruments based solely on valuation models observing market indicators for interest rates.

GLOBALDRIVE (UK) VARIABLE FUNDING I PLC

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2015

3. GENERAL INFORMATION

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 and cash equivalents are 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.

The loan notes are due to redeem in January 2022.

4. INTEREST INCOME

	31 Dec 2015	31 Dec 2014
	£	£
Interest income related to the underlying motor vehicle finance receivables	**10,129,388**	13,204,577
Interest expense on subordinated loan from the Originator	**(59,567)**	(232,592)
Interest expense on liabilities evidenced by paper held by the Originator	**(4,283,817)**	(6,716,597)
Interest income from bank deposits	**1,212**	4,752
Interest income on deemed loan to the Originator	**5,787,216**	6,260,140
Servicing fees	**(120,748)**	(167,955)
	5,666,468	6,092,185

5. INTEREST EXPENSE AND SIMILAR CHARGES

	31 Dec 2015	31 Dec 2014
	£	£
Interest expense on liabilities evidenced by paper	**7,648,851**	11,508,091
Interest expense on liabilities evidenced by paper held by the originator	**(4,283,817)**	(6,716,597)
	3,365,034	4,791,494
Net interest expense on interest rate swaps	**2,223,606**	1,216,340
	5,588,640	6,007,834

6. ADMINISTRATIVE EXPENSES

	31 Dec 2015	31 Dec 2014
	£	£
Management fees	**14,995**	15,029
Cash management fees	**7,499**	7,500
Servicing fees paid/payable to the Originator	**120,747**	167,955
Accountancy fees	**5,251**	5,541
Audit fees for the audit of the Company's financial statements	**18,720**	18,720
Operating costs of associated companies	**14,520**	14,964
Taxation services	**1,800**	1,800
Stock exchange fees	**1,591**	1,565
Other expenses	**14,173**	14,693
	199,296	247,767

The Company had no employees during the year (2014: nil). The directors received no remuneration for their services as directors (2014: nil). One of the directors, Wilmington Trust SP Services (London) Limited, received fees during the year for management and accountancy services provided to the Company. These fees are disclosed in note 16, they are classed above as management and accountancy fees.

7. TAXATION

	31 Dec 2015	31 Dec 2014
	£	£
Current tax:		
Corporation tax charge for the year	207	286
Total income tax charge for the year	207	286

The actual tax charge differs from the theoretical amount that would arise using the standard rate of corporation tax in the UK as follows:

	31 Dec 2015	31 Dec 2014
	£	£
Profit/(loss) before tax	1,345,809	(3,472,962)
Theoretical tax (credit)/charge at the standard rate of UK corporation tax of 20.25% (2014: 21.5%)	272,526	(746,687)
Adjustments in relation to permanent tax regime for securitisation companies	(272,319)	746,972
Prior year under/(over) provision	-	1
Total income tax charge for the year	207	286

	31 Dec 2015	31 Dec 2014
	£	£
Tax receivable/(payable)	420	(286)

Under the powers conferred by Finance Act 2005, secondary legislation (the permanent tax regime) was enacted in 2006 which ensures that, subject to certain conditions being met and an election being made, for periods commencing on or after 1 January 2007, corporation tax for a 'securitisation company' will be calculated by reference to the profit of the securitisation company required to be retained in accordance with the relevant capital market arrangement.

The Company has elected to enter the permanent tax regime as in prior periods for securitisation companies commencing with the period ended 31 December 2007.

The directors are satisfied that the 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.

8. DEEMED LOAN TO THE ORIGINATOR

	31 Dec 2015	31 Dec 2014
	£	£
Consideration paid to the Originator net of principal repayments of the underlying motor vehicle finance receivables	**550,891,807**	417,279,075
Accrued interest income on motor vehicle finance receivables	**393,235**	308,983
Subordinated loan from the Originator	**(5,773,132)**	(4,395,248)
Interest expense accrued on subordinated loan from the Originator	**(2,607)**	(1,811)
Liabilities evidenced by paper held by the Originator	**(150,425,575)**	(139,524,779)
Interest expense accrued on liabilities evidenced by paper held by the Originator	**(180,839)**	(126,963)
Accrued service fees payable to the originator	**(14,433)**	(10,988)
	394,888,456	273,528,269

The deemed loan to the Originator comprises the amount of scheduled principal payments outstanding on the motor vehicle finance receivables originated by FCE and financed by the Notes issued. FCE continues to service these motor vehicle finance receivables, for which it receives a fee from the Company. The deemed loan is repaid as and when the cash is received by the Originator from customers towards repayments of the motor vehicle finance receivables.

The deemed loan to the originator has been fully classified under non-current assets on the Statement of Financial Position. However, it is anticipated that a portion of the principal of the underlying receivables will be redeemed within the next year. As the Company is currently in a revolving period, any such principal will be re-invested in additional receivables, and therefore, it is considered appropriate that the whole amount is classified as non-current assets.

The subordinated loan has been provided by FCE. Interest on the subordinated loan is payable on a monthly basis at LIBOR plus 1% p.a.

The subordinated loan is repayable after the Notes mature and are redeemed.

9. OTHER ASSETS

	31 Dec 2015	31 Dec 2014
	£	£
Amounts due from Globaldrive Receivables Trustee (UK) Two Limited	**27,130,251**	22,901,061
Prepayments and accrued income	**50,009**	49,601
	27,180,260	22,950,662

10. DERIVATIVE FINANCIAL INSTRUMENTS

The fair values of interest rate swap contracts have been determined using models by the swap counterparties with reference to market indicators and projected cash flows of the receivables. The notional values of the interest rate swaps outstanding as at 31 December are determined based on the amount of Class A Notes outstanding.

The fair values of derivative instruments held are set out in the following table:

	Notional amount	Assets	Liabilities
Interest rate swaps	£	£	£
At 31 December 2013	249,999,054	227,670	-
Negative change in fair value		-	3,477,501
At 31 December 2014	300,000,000	-	3,249,831
Positive change in fair value		**1,346,529**	-
At 31 December 2015	300,000,000	-	**1,903,302**

11. CASH AND CASH EQUIVALENTS

All withdrawals from the bank accounts are restricted by the detailed priority of payments set out in the securitisation agreements.

	31 Dec 2015	31 Dec 2014
	£	£
Cash and bank current accounts	28,990	28,842
Bank deposit account	5,773,132	4,395,248
	5,802,122	4,424,090

The bank deposit account relates to the reserve fund financed by the subordinated loan from the Originator.

12. LIABILITIES EVIDENCED BY PAPER

	31 Dec 2015	31 Dec 2014
	£	£
Class A1 floating rate notes	426,887,614	300,000,000
Class C1 fixed rate notes	150,425,575	115,853,930
Class A3 floating rate notes	-	23,670,849
	577,313,189	439,524,779
Less: Class C1 and A3 notes held by the Originator	(150,425,575)	(139,524,779)
	426,887,614	300,000,000

The Notes are listed on the Irish Stock Exchange. They are secured by means of a fixed and floating charge over the pool of motor vehicle finance receivables. The repayment of the Notes is dependent on the receipt of the payments from the motor vehicle finance receivables purchased, and follows a priority of payments, whereby principal and interest payments are first made on the Class A Notes, and then Class C Notes. All Class B Notes were repaid in October 2009.

Interest on the Notes is payable on the 20th day of each month. The Class A1 Notes bore interest at LIBOR plus 0.93% per annum until April 2012 when the interest was changed to LIBOR plus 1.18% per annum. From 20 December 2012 the interest was amended to LIBOR plus 0.97% per annum. The Class C1 Notes bear interest at a fixed rate of 4% per annum.

Under the terms of the Class A Notes, the Company has agreed to pay additional interest payments to commercial paper conduits holding Class A Notes. Such amounts are equal to the difference between the cost incurred by those conduit purchasers in funding their holding of Class A Notes in the commercial paper markets or under any liquidity agreements entered into by such conduit purchasers in respect of their holding of the Class A Notes and the interest amounts calculated for the Notes based on the rates described above.

In November 2014 the Noteholders agreed to extend the ultimate contractual maturity of the floating rate Notes to January 2022. The notes continue to be subject to earlier mandatory redemption (early amortisation) under certain specified circumstances such as when net write-offs of the receivables underlying the deemed loan to the Originator over a period of three preceding months exceed 4% of the total outstanding underlying receivables. At 31 December 2015 this was 0.71% (2014: 0.58%). The Company also has the option to redeem the Notes in whole, but not in part, on any interest payment date where their principal amount outstanding is 10% or less of their initial principal amount outstanding on issue.

In November 2015 the Noteholders agreed to extend the Revolving Period to June 2016. During the Revolving Period the Company is allowed to acquire further assets instead of repaying the principal on the floating rate notes

The Notes are the sole obligations of the Company. The Notes are limited in recourse to the underlying receivables to customers. The noteholders will have a claim under the Notes against the Company only to the extent of amounts payable in respect of the Notes which are derived from cashflows generated by payments on the receivables, subject to the payment of amounts ranking in priority to the payment of amounts due in respect

12. LIABILITIES EVIDENCED BY PAPER (continued)

of the Notes. If there are insufficient funds available to the Company to pay in full all principal, interest and other amounts outstanding in respect of the Notes at the final maturity date or earlier, then the noteholders will have no further claim against the Company in respect of the unpaid amounts. There will be no other assets of the Company available to meet any outstanding claims of the noteholders, who will bear any shortfall *pro rata* to their holdings of the Notes.

The directors of the Company believe that there were no defaults on principal, interest or any other breaches with respect to the issued Notes during the current year or the prior year.

Interest payable on liabilities evidenced by paper is included within Note 14 Other Liabilities.

13. FINANCIAL RISK MANAGEMENT

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

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 securitised motor vehicle receivables to exceed the amount of credit enhancement supplied by the Originator. The credit enhancement is 9.96% and the credit losses as at 31 December 2015 is 0.75%. The maximum exposure to credit risk is the carrying value of the deemed loan to the Originator, bank deposits, cash and other assets.

The credit quality of the underlying motor vehicle receivables is summarised as follows:

	31 Dec 2015	31 Dec 2014
	£	£
Current	**546,435,946**	413,056,407
11 – 30 days delinquent	**1,970,740**	1,850,520
31 – 60 days delinquent	**1,669,030**	1,635,616
61 – 90 days delinquent	**503,564**	475,620
91 – 120 days delinquent	**212,104**	173,241
Greater than 120 days delinquent	**100,423**	87,671
Total portfolio	**550,891,807**	417,279,075

Interest rate risk

The Company has an exposure to interest rate risk as the motor vehicle finance receivables underlying the deemed loan to the Originator earn interest at a fixed rate. However, whilst the Class C Notes are fixed rate, the Class A Notes pay interest at a floating rate. The Company manages this risk by entering into interest rate swaps receiving interest at floating rate and paying interest at fixed rate. These positions are constructed in a way to nearly eliminate existing interest rate risk. The tenure of the swaps is matched on a monthly basis to the maturities of the Notes issued and the deemed loan to the Originator.

After taking into consideration the derivative instruments, the interest rate nature of the deemed loan to the Originator, the regular re-pricing of the liabilities evidenced by paper (with the exception of the Class C Notes), together with the nature of the other assets and liabilities, the directors do not believe that the Company has any significant interest rate re-pricing risk exposure.

13. FINANCIAL RISK MANAGEMENT (continued)

Interest rate sensitivity
The sensitivity analysis has been determined based on the Company's exposure to interest rates for interest bearing assets and liabilities at the financial reporting date and has been based on management's assessment of the possible changes in interest rates.

The sensitivity of the Company to interest rate changes, and the resulting changes in net assets attributable to equity shareholders, is negligible due to the structuring of the interest rate swaps and the fact that the Company only retains 0.01% of interest collections. If interest rates had been 25 basis points higher and all other variables held constant, net assets attributable to equity shareholders for the year ended 31 December 2015 would have been £122 higher (2014: £96 higher). If interest rates had been 25 basis points lower and all other variables held constant, net assets attributable to equity shareholders for the year ended 31 December 2014 would have been lower by £122 (2014: £96 lower).

Management of capital
The Company manages one item as capital only, being share capital. Quantitative information regarding the level of share capital is provided in note 15. The Company is not subject to any external capital requirements except for the minimum requirement under the Companies Act 2006. The Company has not breached the minimum requirement. Due to the nature of the business of the Company, including the ability to utilise the credit enhancement provided by FCE, the directors of the Company believe that its capital need not exceed the minimum statutory requirements.

Financial instruments
The Company's financial instruments, other than derivatives, are comprised of a deemed loan to the Originator, cash and liquid resources, interest-bearing borrowings and various receivables and payables that arise directly from its operations. The Company also enters into derivative transactions (interest rate swaps). The purpose of such transactions is to manage the interest rate risks arising from the Company's operations and its sources of finance.

It is, and has been throughout the year under review, the Company's policy that no trading in financial instruments is undertaken. This has not occurred throughout the year.

Fair value hierarchy
Categorisation within the hierarchy has been determined on the basis of the lowest level input that is significant to the fair value measurement of the relevant asset or liability as follows:

Level 1 - valued using quoted prices in active markets for identical assets or liabilities

Level 2 - valued by reference to valuation techniques using observable inputs other than quoted prices included within Level 1

Level 3 - valued by reference to valuation techniques using inputs that are not based on observable market data
The valuation techniques used by the Company are explained in the accounting policies note.

As at 31 December 2015	**Level 1**	**Level 2**	**Level 3**	**Total**
Hierarchy levels, assets	**£**	**£**	**£**	**£**
Assets at amortised cost whose fair value is disclosed				
Deemed loan to the Originator	-	394,888,456	-	394,888,456
Assets recognised and measured at fair value				
Derivative financial instruments	-	-	-	-

13. FINANCIAL RISK MANAGEMENT (continued)

	Level 1	Level 2	Level 3	Total
Hierarchy levels, liabilities	£	£	£	£
Liabilities recognised and measured at fair value				
Derivatives (interest rate swaps)	-	1,903,302	-	1,903,302
Liabilities at amortised cost whose fair value is disclosed				
Notes	-	426,887,614	-	426,887,614

As at 31 December 2014	Level 1	Level 2	Level 3	Total
Hierarchy levels, assets	£	£	£	£
Assets at amortised cost whose fair value is disclosed				
Deemed loan to the Originator	-	273,528,269	-	273,528,269
Assets recognised and measured at fair value				
Derivative financial instruments	-	-	-	-

	Level 1	Level 2	Level 3	Total
Hierarchy levels, liabilities	£	£	£	£
Liabilities recognised and measured at fair value				
Derivatives (interest rate swaps)	-	3,249,831	-	3,249,831
Liabilities at amortised cost whose fair value is disclosed				
Notes	-	300,000,000	-	300,000,000

Currency risk

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

Liquidity risk

As long as the contractual and expected maturity of motor vehicle finance receivables underlying the deemed loan to the Originator is shorter than the notes issued; the notes issued can be repaid/redeemed using the proceeds from the redemption of the underlying motor vehicle finance receivables; and the subordinated loan from the Originator (note 8) is available to cover shortfalls in the proceeds from the underlying motor vehicle finance receivables, the directors of the Company believe that the Company is not exposed to any significant liquidity risks.

The following table details the Company's liquidity analysis for its financial liabilities at 31 December 2015 and 31 December 2014. The amounts are calculated based on undiscounted cash flows based on expected redemption rates, estimated future interest rates at the financial reporting date and contractual repayments on the vehicle finance receivables underlying the deemed loan to the Originator. The actual cash flows are likely to vary from these estimates due to fluctuations in actual interest and redemption rates.

At 31 December 2015	Total	1 to 3 months	3 to 12 months	In more than 1 year but not more than 5 years	In more than 5 years
	£	£	£	£	£
Financial liabilities					
Liabilities evidenced by paper	442,691,468	1,231,252	27,963,322	287,397,974	126,098,920
Other liabilities	952,786	952,786	-	-	-
Net outflows on derivative financial instruments (net settled)	1,903,302	-	-	-	1,903,302

13. FINANCIAL RISK MANAGEMENT (continued)

At 31 December 2014	Total	1 to 3 months	3 to 12 months	In more than 1 year but not more than 5 years	In more than 5 years
	£	£	£	£	£
Financial liabilities					
Liabilities evidenced by paper	317,461,196	1,163,782	3,668,694	184,590,784	128,037,936
Other liabilities	870,950	870,950	-	-	-
Net outflows on derivative financial instruments (net settled)	3,249,831	-	-	-	3,249,831

The table below provides details of the fair value of financial assets and liabilities:

	Note	Carrying amount 31 Dec 2015	Fair value 31 Dec 2015	Carrying amount 31 Dec 2014	Fair value 31 Dec 2014
		£	£	£	£
Financial assets					
Deemed loan to the Originator	8	**394,888,456**	**440,266,052**	273,528,270	287,094,025
Other assets	9	**27,180,260**	**27,180,260**	22,950,662	22,950,662
Cash and cash equivalents	11	**5,802,122**	**5,802,122**	4,424,090	4,424,090
Financial liabilities					
Liabilities evidenced by paper	12	**426,887,614**	**427,069,886**	300,000,000	299,707,093
Other liabilities	14	**952,785**	**952,785**	870,950	870,950
Derivative financial instruments	10	**1,903,302**	**1,903,302**	3,249,831	3,249,831

14. OTHER LIABILITIES

	31 Dec 2015	31 Dec 2014
	£	£
Interest payable on liabilities evidenced by paper	**121,258**	103,711
Amounts owed to fellow group undertakings	**14,520**	14,964
Other creditors	**817,007**	752,275
	952,785	870,950

The interest payable on liabilities evidenced by paper disclosed above excludes interest payable on liabilities evidenced by paper held by the Originator which is included within the deemed loan to the Originator (note 8).

15. SHARE CAPITAL

Allotted and called up share capital:	31 Dec 2015	31 Dec 2014
	£	£
2 (2014: 2) ordinary shares - £1 each – fully paid	2	2
49,998 (2014: 49,998) ordinary shares - £1 each – quarter paid up	12,500	12,500
	12,502	12,502

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.

16. RELATED PARTY TRANSACTIONS

The Company is a special-purpose company governed by its Board of directors, which comprises three directors: Wilmington Trust SP Services (London) Limited, Mr M H Filer and Miss M Clarke. Mr M H Filer and Miss M Clarke who are directors of the Company, are also directors of Wilmington Trust SP Services (London) Limited. The Company pays a management fee and an accountancy fee to Wilmington Trust SP Services (London) Limited in connection with corporate services received. The fees payable to Wilmington Trust SP Services (London) Limited for their services in the year amounted to £20,245 (2014: £20,570) (including irrecoverable VAT). At 31 December 2015 £8,202 (31 December 2014: £8,984) was owed to Wilmington Trust SP Services (London) Limited and is included within other liabilities.

During the year, under the terms of the Globaldrive (UK) Variable Funding I plc securitisation, FCE sold £467,139,291 (2014: £415,387,081) of motor vehicle finance receivables to Globaldrive Receivables Trustee (UK) Two Limited to be held on trust for Globaldrive (UK) Variable Funding I plc. The amount of scheduled principal payments outstanding on the motor vehicle finance receivables sold by FCE at 31 December 2014 amounted to £550,891,807 (31 December 2014: £417,279,075) and are included in the deemed loan to the Originator. Interest received on the motor vehicle receivables, included within interest income on the deemed loan to the Originator, during the year amounted to £10,129,388 (2014: £13,202,838) of which £393,234 (2014: £307,244) remained unpaid at the year end and is included within the deemed loan to the Originator. At 31 December 2015 the Company was owed £27,130,251 (2014: £22,901,061) by Globaldrive Receivables Trustee (UK) Two Limited which is included in other assets.

FCE receives a fee equal to 0.03% p.a. of the principal outstanding on the motor vehicle finance receivables for acting as cash manager and servicer of the vehicle finance receivables. For the year ended 31 December 2015 this fee amounted to £120,747 (2014: £167,955) and is included as a deduction from interest income on the deemed loan to the Originator. At 31 December 2015 £14,433 (31 December 2014: £10,988) was owed to FCE and is included as a deduction from the deemed loan to the Originator.

FCE also granted Globaldrive (UK) Variable Funding I plc a subordinated loan to the Company as part of the securitisation transaction. This bears interest on a monthly basis at 1% above LIBOR. Interest charged during the year amounted to £59,567 (2014: £232,592) of which £2,607 (2014: £1,811) remained unpaid at the year end and is included as a deduction from the interest on the deemed loan to the Originator and the deemed loan to the Originator respectively. During the year £1,377,884 was drawn down (2014: £6,089,036) under this subordinated loan. At 31 December 2015 the total principal amount advanced under the subordinated loan facility amounted to £5,773,132 (2014: £4,395,248) and is included within the deemed loan to the Originator.

Due to the operational nature of the Globaldrive Group of Companies, some of the administrative expenses associated with Globaldrive Receivables Trustee (UK) Two Limited and Globaldrive Holdings Limited are funded by the Company. During the current year these administrative costs amounted to £14,520 (2014: £14,964). At 31 December 2015 £7,200 (2014: £7,800) was owed to Globaldrive Holdings Limited and £7,320 (2014: £7,164) was owed to Globaldrive Receivables Trustee (UK) Two Limited and included within other liabilities.

At 31 December 2015 FCE held £150,425,575 (2014: £139,524,778) Class C1 and A3 Variable Funding Notes which are included as a deduction from the deemed loan to the Originator.

17. ULTIMATE PARENT AND CONTROLLING PARTY

The immediate parent of the Company is Globaldrive Holdings Limited, a company incorporated in the United Kingdom.

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

Although FCE Bank plc, a company incorporated in the United Kingdom, has no direct ownership interest in the Company, it is considered to exert control over its activities and the results of the Company are therefore included in the consolidated financial statements of FCE Bank plc. The financial statements of FCE Bank plc can be obtained from FCE Bank plc, Eagle Way, Brentwood, Essex, CM13 3AR, United Kingdom.

The financial results of FCE Bank plc are included in the consolidated financial statements of its ultimate parent, Ford Motor Company, a company incorporated in the United States of America. The financial statements of Ford Motor Company can be obtained from Ford Motor Company, The American Road, Dearborn, Michigan, 48121, United States of America.

The directors regard FCE Bank plc as the immediate controlling parent undertaking and Ford Motor Company as the ultimate controlling parent undertaking and these are the smallest group and largest group into which the Company is respectively consolidated.