

**Vault Funding Limited (formerly Vauxhall Auto UK Loan
Trustee Limited)**

Report and Financial Statements

For the period from 24 April 2013 (date of incorporation) to 31
December 2013

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Vault Funding Limited (formerly Vauxhall Auto UK Loan Trustee Limited)

Report and financial statements for the period from 24 April 2013 (date of incorporation) to 31 December 2013

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Vault Funding Limited (formerly Vauxhall Auto UK Loan Trustee Limited)

Officers and professional advisers

Directors

SFM Directors Limited
SFM Directors (No 2) Limited
Claudia Wallace

Company secretary and registered office

SFM Corporate Services Limited
35 Great St Helen's
London
EC3A 6AP

Company number

08503074
(England and Wales)

Independent Auditor

Deloitte
Cardiff

Strategic report period from 24 April 2013 (date of incorporation) to 31 December 2013

The directors present the strategic report for Vault Funding Limited (the "Company") for the period from 24 April 2013 (date of incorporation) to 31 December 2013

Incorporation, principal activities, business review and future developments

The Company was incorporated in England and Wales on 24 April 2013 as a private company with limited liability under the Companies Act 2006. On 7 June 2013 the Company changed its name from Vauxhall Auto UK Loan Trustee Limited to Vault Funding Limited.

The Company was established as a special purpose company. On 16 July 2013 the Company raised funding by the issue of £298,933,405 variable loan notes (the "Notes") to two committed purchasers (the "Purchasers") in accordance with the variable loan note purchase agreement (the "Variable Loan Note Purchase Agreement"). On 16 July 2013 the Company also entered into a subordinated loan agreement with GMAC UK plc whereby an amount of £37,738,794 was advanced to the Company as a subordinated loan (the "Subordinated Loan"). The proceeds of Notes and £32,703,343 of the Subordinated Loan were used to acquire receivables equal to £331,696,748 (the "Receivables") originated by GMAC UK plc ("GMAC") (the "Seller and the "Originator"). The remaining proceeds of £4,975,451 from the Subordinated Loan were used to fund the reserve fund. The Receivables comprise hire purchase agreements and personal contract purchase agreements to customers originated by the Seller in the UK, together with related car resale price receivables and ancillary rights, and purchased by the Company on the closing date (16 July 2013) and on each subsequent purchase date. For a certain period of time (the revolving period), the Company may use the principal collections received on the Receivables to purchase further eligible Receivables from GMAC, subject to certain conditions, rather than to repay the principal on the outstanding Notes. The revolving period ends on the scheduled termination date of 16 July 2015. However, such date may be extended from time to time as documented in the Variable Loan Note Purchase Agreement.

The principal amount outstanding of the Notes may be increased or decreased in accordance with the terms of the Variable Loan Note Purchase Agreement. The legal maturity date of the Notes is 16 July 2022.

The legal ownership of the Receivables acquired by the Company from the Seller fails the de-recognition criteria of FRS29 in the Seller's financial statements and therefore these Receivables remain on the balance sheet of GMAC. The Receivables are therefore classified as a loan to originator (the "Loan") on the balance sheet of the Company.

GMAC as Subordinated Loan lender will make funds available from time to time to the Company to enable the Company to maintain the reserve fund required amount.

During the period the Company acquired additional Receivables funded by using principal redemption proceeds from the Receivables. As at December 2013 the Receivables balance was £237,619,805. As at December 2013 the balance of the Notes was £219,682,032.

Due to the variable funding nature of the Notes and the ability of the Company to acquire further interests in Receivables, the Loan, Notes, interest income and interest expense are expected to increase in future years until such time that the Company is unable to acquire such interests. From that time the Loan, Notes, interest income and interest expense are expected to decrease.

The directors do not anticipate any other changes to the present level of activity, or the nature of the Company's business in the near future.

Strategic report for the period from 24 April 2013 (date of incorporation) to 31 December 2013 (Continued)

Results and dividends

The profit and loss account is set out on page 9 and shows the profit for the period

The directors recognise that the implementation of the Company's accounting policies, as set out in the notes to the financial statements, in respect of derivative contracts, may result in volatility in the profit and loss account with consequent impact on the Company's balance sheet. Such contracts have been put in place to hedge the Company's exposure to interest rate and basis risks and to ensure a level of certainty surrounding cash flows. The directors do not consider that the use of such accounting policies will affect the long term commercial integrity of the Company or its expected performance.

The directors do not recommend the payment of a dividend.

Key performance indicators.

The Company provides a full breakdown of the performance of the portfolio on a monthly basis. Some of the key performance indicators subsequent to the period end are:

January 2014

Outstanding balance of Receivables	273,697,824
Outstanding balances of Receivables more than 3 months in arrears	18,887

As at 31 December 2013, 0.01% of the Receivables were in arrears.

No impairment losses were recognised during the period.

The principal risks and uncertainties faced by the Company are reviewed below under Financial Instruments.

Financial instruments

The Company's operations are financed primarily by means of the Notes. The Company issued such financial instruments to finance the acquisition of the Receivables, which has been extended to the Originator in the form of a loan as explained in the business review above.

The Company uses derivative financial instruments (swaps) to manage the interest rate risk arising from the Company's sources of income (the Loan) and its sources of finance (the Notes). It is not the Company's policy to trade in financial instruments.

The Company's exposure to risk on financial instruments and the management of such risk is largely determined prior to the issuance of the Notes. Cash flow modelling, including multiple stress scenarios, is carried out as part of the structuring of the transaction.

The directors monitor the Company's performance by reviewing monthly reports on the performance of the Receivables in order to ensure that the transaction terms have been complied with, that no unforeseen risks have arisen, and that the holders of the Notes have been paid on a timely basis.

GMAC continues to administer the Receivables under the servicer agreement with the Company. In administering the Receivables, GMAC applies its formal structure for managing risk and other control procedures.

The primary risks arising from the Company's financial instruments are credit risk, liquidity risk and interest rate risk.

Strategic report for the period from 24 April 2013 (date of incorporation) to 31 December 2013 (Continued)

Credit risk

Credit risk reflects the risk that the underlying borrowers or other transaction parties may not meet their obligations as they fall due

The Loan may become impaired in case of a significant deterioration in the performance of the Receivables as a result of 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 GMAC at the end of the financing contracts when their market price would be less than the one currently forecast and currently observed. The credit quality of the Receivables is set out in note 13. The directors have assessed the latest information provided by the servicer and concluded that no impairment provisions are required as at 31 December 2013.

Liquidity risk

Liquidity risk reflects the risk that the Company will encounter difficulty in raising funds to meet commitments associated with its financial instruments, should the actual cash flows from its assets differ from those expected.

The Company's assets (the Loan) are financed by the issuance of the Notes. The financing policy substantially reduces the Company's liquidity risk by matching the maturity profile of the Company's funding to the profile of the assets being funded.

The Company can also use the cash reserve fund to manage any remaining liquidity risk (note 13).

Interest rate risk

Interest rate risk exists where interest rates on assets and liabilities are set on different bases or reset at different times. The Company minimises its exposure to interest rate risk by ensuring that the interest rate characteristics of its assets and liabilities are similar. Where this is not possible the Company uses derivative financial instruments to mitigate any residual interest rate risk.

At the period end the Company was party to interest rate swaps to hedge against interest rate risk arising from the resetting of interest rates of assets and liabilities on different bases.

On behalf of the board



Helena Whitaker
per pro **SFM Directors Limited**
Director

27 March 2014

Vault Funding Limited (formerly Vauxhall Auto UK Loan Trustee Limited)
Company Registration Number 08503074

Report of the directors for the period from 24 April 2013 (date of incorporation) to 31 December 2013

The directors present their report together with the audited financial statements for the Company for the period from 24 April 2013 (date of incorporation) to 31 December 2013

Going concern

The financial statements have been prepared on a going concern basis

The Company is obliged to redeem the Notes at their principal amount outstanding upon maturity. However, due to the non-recourse nature of the Notes, the Company's ability to pay amounts due on the Notes are, in substance, limited to the application of the receipts from the Receivables under the terms of the priority of payments as set out in the terms and conditions of the Notes.

It is the intention of the directors for the Company to continue operations until such a time as the amounts due from the Receivables have been fully realised. Ultimately, due to the limited recourse nature of the Notes, any shortfall in the proceeds of the Receivables will be a risk to the holders of those Notes.

Therefore the directors consider that the Company is able to meet its liabilities as they fall due and accordingly, the financial statements have been prepared on a going concern basis.

Corporate governance

The directors have been charged with governance in accordance with the transaction documents describing the structure and operation of the transaction. The governance structure of the Company is such that the key policies have been predetermined at the time of issuance and the operational roles have been assigned to third parties with their roles strictly governed by the transaction documents.

The transaction documents provide for procedures that have been designed for safeguarding assets against unauthorised use or disposition, for maintaining proper accounting records, and for the reliability and usefulness of financial information used within the business or for publication. Such procedures are designed to manage rather than eliminate the risk of failure to achieve business objectives whilst enabling them to comply with the regulatory obligations.

Share capital

The issued share capital consists of one ordinary share fully paid.

Report of the directors for the period from 24 April 2013 (date of incorporation) to 31 December 2013 (Continued)

Directors and their interests

The directors of the Company during the period, and up to the date of signing the financial statements, were

SFM Directors Limited	(Appointed on 24 April 2013)
SFM Directors (No 2) Limited	(Appointed on 24 April 2013)
Claudia Wallace	(Appointed on 24 April 2013)

None of the directors have any beneficial interest in the ordinary share capital of the Company
None of the directors had any interest during the period in any material contract or arrangement with the Company

Third party indemnities

Qualifying third party indemnity provisions for the benefit of the directors were in force during the period under review and remain in force as at the date of approval of the directors' report and financial statements.

Company secretary

SFM Corporate Services Limited was appointed on 24 April 2013 and acted as the Company secretary during the period and up to the date of signing the financial statements

Statement of disclosure of information to auditor

The directors confirm that

- a) so far as the directors are aware, there is no relevant information of which the Company's auditor is unaware, and
- b) each director has 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 auditor is aware of that information

This confirmation is given and should be interpreted in accordance with the provisions of s418(2) of the Companies Act 2006 ("the Act")

Auditor

During the period under review Deloitte LLP was appointed by the directors as the first auditor of the Company. Having expressed their willingness to continue in office, a written shareholders' resolution will be passed to confirm the reappointment of the auditor.

On behalf of the board



Helena Whitaker
per pro **SFM Directors Limited**
Director

27 March 2014

Vault Funding Limited (formerly Vauxhall Auto UK Loan Trustee Limited)

Statement of directors' responsibilities

The directors are responsible for preparing the Strategic report, the Report of the directors 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 elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business

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 to enable them to ensure that the financial statements comply with the Act. 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.


Helena Whitaker
per pro **SFM Directors Limited**
Director

27 March 2014

Independent auditor report to the members of Vault Funding Limited (formerly Vauxhall Auto UK Loan Trustee Limited)

We have audited the financial statements of Vault Funding Limited for the period from 24 April 2013 (date of incorporation) to 31 December 2013 which comprise the profit and loss account, the balance sheet, the cash flow statement and the related notes 1 to 18. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement, 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 and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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. 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.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2013 and of its profit for the period then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 period for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion,

- 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; or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit.



Simon Cleveland FCA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
Cardiff, United Kingdom
26 March 2014

Vault Funding Limited (formerly Vauxhall Auto UK Loan Trustee Limited)

Profit and loss account for the period from 24 April 2013 (date of incorporation) to 31 December 2013

	Notes	24 April 2013 to 31 December 2013 £
Interest receivable and similar income	2	12,059,302
Interest payable and similar charges	3	(11,844,859)
Net interest income		214,443
Movement in fair value of derivatives		1,289,709
Operating expenses		(1,503,652)
Profit on ordinary activities before taxation	4	500
Taxation on profit on ordinary activities	6	(115)
Profit for the financial period	11	385

All amounts relate to continuing activities

There are no recognised gains or losses other than the profit for the period as presented above

Accordingly a statement of total recognised gains and losses is not presented

The accompanying notes on pages 12 to 25 are an integral part of these financial statements

Vault Funding Limited (formerly Vauxhall Auto UK Loan Trustee Limited)
Company Registration Number 08503074

Balance sheet at 31 December 2013

	Notes	2013 £
Fixed assets		
Loan	7	160,834,874
Current assets		
Debtors	8	79,122,882
Cash at bank and in hand		10,847,424
Total current assets		89,970,306
Creditors: amounts falling due within one year	9	(86,542,046)
Net current assets		3,428,260
Total assets less current liabilities		164,263,134
Creditors: amounts falling due after more than one year	9	(164,262,748)
Net assets		386
Capital and reserves		
Called up share capital	10	1
Profit and loss account	11	385
Total shareholders' funds	12	386

The accompanying notes on pages 12 to 25 are an integral part of these financial statements

The financial statements on pages 9 to 25 were approved and authorised for issue by the board on 27 March 2014


Helena Whitaker
per pro **SFM Directors Limited**
Director

Vault Funding Limited (formerly Vauxhall Auto UK Loan Trustee Limited)

Cash flow statement for the period from 24 April 2013 (date of incorporation) to 31 December 2013

	Notes	24 April 2013 to 31 December 2013 £
Net cash outflow from operating activities	14	(2,321,811)
Returns on investments and servicing of finance		
Interest received on the Loan		12,038,160
Interest received on bank accounts		18,088
Interest paid on inflation swap contracts		(181,403)
Interest paid on Notes		(1,469,514)
Interest paid on Subordinated Loan		(663,971)
		9,741,360
Capital expenditure and financial investment		
Purchase of Loan		(505,933,376)
Repayment of Loan		268,313,571
		(237,619,805)
 Net cash outflow before financing		(230,200,256)
Financing		
Issue of ordinary share capital		1
Proceeds from issue of Notes		298,933,405
Notes repaid		(79,251,373)
Proceeds from Subordinated Loan		37,738,794
Repayment of Subordinated Loan		(16,373,147)
		241,047,680
 Increase in cash in the period	15	10,847,424

The accompanying notes on pages 12 to 25 are an integral part of these financial statements

1 Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain financial instruments under FRS 26 Recognition and Measurement, and in accordance with applicable United Kingdom accounting standards. The accounting policies which have been applied consistently in dealing with items which are considered material in relation to the Company's financial statements are set out below. The directors have adjusted the format of the profit and loss account as allowed under the Companies Act 2006. This is due to net interest income being, in the opinion of the directors, more appropriate than turnover and cost of sales to the nature of the Company's operations.

Basis of preparation Going concern

The financial statements have been prepared on a going concern basis.

The Company is obliged to redeem the variable funding loan notes (the "Notes") at their principal amount outstanding upon maturity. However, due to the limited recourse nature of the Notes, the Company's ability to pay amounts due on the Notes is, in substance, limited to the application of the receipts from the receivables (the "Receivables") under the terms of the priority of payments as set out in the terms and conditions of the Notes.

Furthermore, the credit enhancement built within the transaction, which includes the reserve fund of £3.6m, provides an extra buffer against any going concern issues in the near future. Even when stressed using reasonably possible market assumptions, the cash flow forecasts indicate that the Company will be able to meet its financial obligations over the next 12 months.

It is the intention of the directors to continue operations until such a time as the amounts due from the Receivables have been fully realised. Ultimately, due to the limited recourse nature of the Notes, any shortfall in the proceeds of the Receivables will be a risk to the holders of those Notes and to the provider of the subordinated loan (the "Subordinated Loan").

Therefore the directors consider that the Company is able to meet its liabilities as they fall due, and accordingly, the financial statements have been prepared on a going concern basis.

Segmental analysis

The principal asset of the Company is the Loan which is originated in the UK and funded by Notes issued in the UK. All cash and cash equivalents are held in the UK.

Critical accounting estimates and judgements

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 years. The most significant of these are as follows:

1 Accounting policies (*Continued*)

Critical accounting estimates and judgements (continued)

Effective interest rates

The effective interest rate method calculates the amortised cost of a financial asset or financial liability (or a group of financial assets or liabilities) and allocates the interest income or interest expense over the expected life of the asset or liability. The effective interest rate is the rate that exactly discounts estimated future cash flows to the relevant instrument's initial carrying amount. Calculation of the effective interest rate takes into account transaction fees and costs. All contractual terms of a financial instrument are considered when estimating future cash flows.

In order to determine the effective interest rate applicable to loans an estimate must be made of the expected life of the loans and hence the cash flows relating to them. The accuracy of the effective interest rate would therefore be affected by any differences between the actual borrower behaviour and that predicted. In addition the transaction fees and costs are immaterial at present and have therefore been reflected in the profit and loss account as they occur.

Consideration of credit risk and liquidity risk is presented in note 13. The particular areas of estimation and judgement are described within the financial instruments section below and mainly apply to fair value calculation where valuations are determined using various pricing models.

Changes to interest rates are factors which affect fair values and lead to fair value gains and losses.

Deferred purchase price

Deferred purchase price represents further amounts payable on the acquisition of the initial Receivables from GMAC. The payment of these amounts is conditional on the performance of the Receivables and therefore constitutes a liability in the books of the Company to the extent such reserves have been generated, and are expected to be paid as deferred purchase price in the future. If the Company were to make losses in the future as a result of future impairments, the deferred purchase price liability would reduce, but as at the period end the directors believe that the accrued liability will be payable based on the information available at the balance sheet date.

Under the terms of the securitisation the Company earns a monthly profit in an amount equal to £100 each interest payment date ("IPD") which is credited to the retained profit ledger as described in the documentation. This is reflected in the profit and loss account before any movements on effective interest rate adjustments.

Profits in excess of £100 per month accrue to the seller of the initial lease portfolio as deferred consideration. Accordingly, amounts owing to the seller are recognised as creditors in the balance sheet.

Impairment losses on loan to originator

The recoverability of the deemed loan to the originator (the "Loan") is dependent on the collections from the underlying Receivables. Receivables are considered impaired when it is probable that the Company will be unable to collect all amounts due according to the probability of any account going into default, cash flows from borrowers' accounts, their timing and expected proceeds from the sale of repossessed collateral. These key assumptions are based on observed data from historical patterns and are updated by the servicer as new data becomes available. Given the excess spread, cash reserve and proximity of the securitisation to the period-end, it is the directors' view that any impairment is immaterial.

1 Accounting policies (*Continued*)

Critical accounting estimates and judgements (continued)

Impairment losses on loan to originator (*continued*)

In addition, the directors consider how appropriate past trends and patterns could impact the current economic climate and may make any adjustments they believe are necessary to reflect the current economic and market conditions

The accuracy of impairment calculations would therefore be affected by unexpected changes to the economic situation, variances between the models used and the actual results, or assumptions which differ from the actual outcomes

Credit enhancement is provided to the securitisation structure in a number of ways. The income on the Receivables is expected to exceed interest payable. This excess spread is available to make good any reductions in the principal balance of the Receivables as a result of defaults by customers. In addition the originator provides the Subordinated Loan to create a reserve fund which can be utilised by the Company in certain circumstances.

The Company assesses at each balance sheet date whether there is any objective evidence that a financial asset is impaired. A financial asset or portfolio of financial assets is impaired and an impairment loss incurred if there is objective evidence that an event or events since initial recognition of the asset have adversely affected the amount or timing of future cash flows from the asset.

If there is objective evidence that an impairment loss on a financial asset classified as loans has been incurred, the Company measures the amount of the loss as the difference between the carrying amount of the asset and the present value of estimated future cash flows from the asset discounted at the effective interest rate of the asset at initial recognition.

Impairment losses are recognised in the profit and loss account and the carrying amount of the financial asset reduced by establishing an allowance for impairment losses. If in a subsequent year the amount of the impairment loss reduces and the reduction can be ascribed to an event after the impairment was recognised, the previously recognised loss is reversed by adjusting the allowance. Once an impairment loss has been recognised on a financial asset, interest income is recognised on the carrying amount using the rate of interest at which estimated future cash flows were discounted on measuring impairment.

Financial instruments

Financial assets and financial liabilities are recognised in the balance sheet when the Company becomes a party to the contractual provisions of the instrument and are de-recognised on the date it ceases to be a party, or it transfers the rights to receive the contractual cash flows from the financial asset in a transaction such that substantially all the risks and rewards of ownership of the financial asset are transferred.

The Company's financial instruments comprise a Loan, cash and liquid resources, derivative instruments, Notes and various receivables and payables that arise from its operations. These financial instruments are classified as described below.

1 Accounting policies (*Continued*)

Loan to originator

Where a transfer of a financial asset does not qualify for de-recognition, the transferee does not recognise the transferred asset as its asset. The transferee derecognises the cash or other consideration paid and recognises a receivable from the transferor. In relation to the Receivables transferred to the Company, de-recognition is considered to be inappropriate for the portfolio seller's or originator's, GMAC UK plc ("GMAC") own financial statements as the Originator has retained significant risks, in the form of credit enhancement paid in, and rewards, in the form of deferred purchase consideration to be paid out, of that financial asset. The Company's financial statements are therefore prepared on the basis that its acquisitions of beneficial interests in the Receivables are recognised as a collateralised non-recourse loan to the originator.

Under the terms of the securitisation, the Company retains the right to £100 each month of available revenue receipts from the beneficial interest in the Receivables. This is reflected in the profit and loss account before any movements on fair value gains and losses on derivatives. Available revenue receipts are defined by the programme documentation and include interest on the Receivables and interest received on the bank accounts. Profits in excess of this accrue to GMAC, the portfolio seller of the Receivables. The payments of deferred consideration are strictly governed by the priority of payments that sets out how cash can be utilised.

Loans are non-derivative financial assets with fixed or determinable repayments that are not quoted in an active market. They are classified as loans and receivables. Loans are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest rate method. Appropriate allowances for estimated irrecoverable amounts are recognised in the profit and loss account when there is objective evidence that the asset is impaired. The allowance recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition. Subsequent increases in fair values of the Loans, which can be objectively related to an event occurring after previous impairment losses have been recognised, are recorded in the profit and loss account to the extent previous impairment losses have been taken through the profit and loss account. The reversal shall not result in a carrying amount of the Loans that exceeds the amortised cost had no impairment been recognised.

Notes and the Subordinated Loan

The Notes and the Subordinated Loan are classified as other financial liabilities and are initially recognised at fair value at the date of issuance of the liability, and are subsequently measured at amortised cost using the effective interest rate method.

Derivative financial instruments

The derivative instruments utilised by the Company are basis rate swaps. Such instruments are used for hedging purposes to alter the risk profile of an existing underlying exposure of the Company in line with the Company's risk management policy. Derivative financial instruments are classified as held for trading and recorded at fair value, with any gain or loss on re-measurement being recognised in the profit and loss account. The Company does not enter into speculative derivative contracts. The Company does not apply hedge accounting. The fair value of the derivative instruments swaps is the estimated amount that the Company would receive or pay to terminate the swap at the balance sheet date, and is calculated by discounting future cash flows using observable market data at that date.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and short-term money market deposits.

Vault Funding Limited (formerly Vauxhall Auto UK Loan Trustee Limited)

Notes forming part of the financial statements for the period from 24 April 2013 (date of incorporation) to 31 December 2013 (Continued)

1 Accounting policies (Continued)

Interest income and interest expense and similar charges

The Company accounts for interest income and expense on an accruals basis. Interest income on financial assets that are classified as loans and receivables and interest expense on financial liabilities other than those at fair value through profit and loss is determined using the effective interest rate method. The effective interest rate method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating the interest income or interest expense over the expected life of the asset or liability. The effective interest rate is the rate that exactly discounts estimated future cash flows to the instrument's initial carrying amount.

Taxation

For UK corporation tax purposes, the Company has been considered as a securitisation Company under the 'Taxation of Securitisation Companies Regulations 2006' (SI 2006/3296). Therefore, the Company is not required to pay corporation tax on its accounting profit or loss. Instead, the Company is required to pay tax on its retained profits as specified in the documentation governing the securitisation transaction into which the Company has entered.

2 Interest receivable and similar income

**24 April 2013 to
31 December
2013
£**

Loan interest	12,038,160
Bank interest	21,142
	<u>12,059,302</u>

3 Interest payable and similar charges

**24 April 2013 to
31 December
2013
£**

Interest expense on the Notes	1,572,041
Interest expense on Subordinated Loan	702,020
Deferred purchase price	9,389,395
Net amounts payable in respect of interest rate swap contracts	<u>181,403</u>
	<u>11,844,859</u>

4 Profit on ordinary activities before taxation

Audit fees are paid by a related party

5 Directors and employees

The Company has no employees and services required are contracted from third parties. The directors received no remuneration from the Company in respect of qualifying services rendered during the period.

Vault Funding Limited (formerly Vauxhall Auto UK Loan Trustee Limited)

Notes forming part of the financial statements for the period from 24 April 2013 (date of incorporation) to 31 December 2013 (*Continued*)

6 Taxation on profit on ordinary activities

**24 April 2013 to
31 December
2013
£**

The Company tax charge in the period

UK corporation tax on the profit for the period

115

7 Loan

**2013
£**

Opening balance

Purchase of Receivables

Repayments

505,933,376

(268,313,571)

Closing balance

237,619,805

The maturity profile of the
Loan was as follows

In one year or less (see note 8)

76,784,931

In more than one year

160,834,874

237,619,805

8 Debtors

**2013
£**

Loan due within one year (see note 7)

76,784,931

Derivatives

1,289,709

Prepayments and accrued income

3,053

Other debtors

1,045,189

79,122,882

Vault Funding Limited (formerly Vauxhall Auto UK Loan Trustee Limited)

Notes forming part of the financial statements for the period from 24 April 2013 (date of incorporation) to 31 December 2013 (*Continued*)

9 Creditors

	2013
	£
Amounts falling due within one year:	
Notes	76,784,931
Accrued interest payable on Notes and Subordinated Loan	140,575
Corporation tax	115
Accruals and deferred income	9,616,425
	86,542,046
	2013
	£
Amounts falling due after one year:	
Notes	142,897,101
Subordinated Loan	21,365,647
	164,262,748

The Notes are secured over the Loan and the security related thereto

10 Share capital

	2013
	£
<i>Issued and fully paid</i>	
1 ordinary share fully paid	1

The share was issued at par and is payable on demand

11 Profit and loss account

	2013
	£
Opening balance	-
Profit for the financial period	385
	385
At 30 September	385

Vault Funding Limited (formerly Vauxhall Auto UK Loan Trustee Limited)

Notes forming part of the financial statements for the period from 24 April 2013 (date of incorporation) to 31 December 2013 (Continued)

12 Reconciliation of movements in shareholders' funds

	2013
	£
Opening balance	-
Issue of shares	1
Profit for the financial period	385
	<hr/>
Closing shareholders' funds	386
	<hr/> <hr/>

13 Financial instruments

The narrative disclosure required by Financial Reporting Standard 29 in relation to the nature of the financial instruments used during the period to mitigate credit risk, liquidity risk and interest rate and inflation rate risk is shown in the Strategic report under the heading 'Financial Instruments'

It is, and has been throughout the period under review, the Company's policy that no trading in financial instruments shall be undertaken

The Company's exposure to risk on its financial instruments and the management of such risk is largely determined from inception of the securitisation transaction. The Company's activities and the role of each party to the transaction is clearly defined and documented. Banque PSA manages the Receivables under the service agreement with the Company. In managing the Receivables Banque PSA applies its formal structure for managing risk and other control procedures. Cash flow modelling, including multiple stress scenarios, was carried out as part of the structuring of the transaction, and as such was required by the rating agencies to establish the appropriate level for the Notes.

In addition, derivative contracts are entered into as part of the securitisation transaction to hedge all interest rate risk arising in the transaction including the obligations under the Notes. The derivative counterparties are selected as regulated financial institutions and this reduces the risk of default and loss for the Company. Additional credit protection is afforded by the requirement for the derivative counterparties to post collateral in the event of a downgrade to a counterparty's credit rating.

Following initial set-up, the directors monitor the Company's performance, reviewing monthly reports on the performance of the Receivables. Such review is designed to ensure that the terms of the documentation have been met, that no unforeseen risks have arisen and that the noteholders have been paid on a timely basis.

Vault Funding Limited (formerly Vauxhall Auto UK Loan Trustee Limited)

Notes forming part of the financial statements for the period from 24 April 2013 (date of incorporation) to 31 December 2013 (*Continued*)

13 Financial instruments (*Continued*)

Categorisation of financial assets and financial liabilities

2013	Fair value through profit and loss	Loans and receivables	Financial liabilities at amortised cost	Total carrying value
	£	£	£	£
Assets				
Loan	-	237,619,805	-	237,619,805
Cash at bank and in hand	-	10,847,424	-	10,847,424
Other debtors	-	1,048,243	-	1,048,243
Derivatives	1,289,709	-	-	1,289,709
	<u>1,289,709</u>	<u>249,515,472</u>	<u>-</u>	<u>250,805,181</u>
Liabilities				
Notes	-	-	219,682,032	219,682,032
Subordinated Loan	-	-	21,365,647	21,365,647
Accruals and deferred income	-	-	9,757,115	9,757,115
	<u>-</u>	<u>-</u>	<u>250,804,794</u>	<u>250,804,794</u>

Credit risk

The ability of the Company to meet its obligations to make principal and interest payments on the Notes and to meet its operating and administrative expenses is dependent on the extent that it has such amounts available to it

Credit risk exists on the Loan and also on the derivatives that the Company holds to manage the interest rate risk arising on the Notes. The swap counterparties are regulated financial institutions

The maximum exposure to credit risk pre-collateral as stated above arising on the Company's financial assets at the reporting date is disclosed in the table below and is equivalent to the carrying value of the financial assets

	Carrying value	Maximum exposure
	2013	2013
	£	£
Assets		
Loan	237,619,805	237,619,805
Cash at bank and in hand	10,847,424	10,847,424
Other receivables	1,048,243	1,048,243
Derivatives	1,289,709	1,289,709
	<u>250,805,181</u>	<u>250,805,181</u>

Vault Funding Limited (formerly Vauxhall Auto UK Loan Trustee Limited)

Notes forming part of the financial statements for the period from 24 April 2013 (date of incorporation) to 31 December 2013 (*Continued*)

13 Financial instruments (*Continued*)

The credit quality of the Receivables is summarised as follows

Total book	2013 £
Not overdue	236,200,789
up to 1 month overdue	1,142,396
1 to 2 months overdue	214,032
2 to 3 months overdue	43,701
3 to 4 months overdue	18,887
	237,619,805

The Loan may become impaired in case of a significant deterioration in the performance of the Receivables as a result of 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 GMAC at the end of the financing contracts when their market price would be less than the one currently forecast and currently observed. The directors have assessed the latest information provided by the servicer and concluded that no impairment provisions are required as at 31 December 2013.

Liquidity risk

Liquidity risk is the risk that the Company is not able to meet its financial obligations as they fall due or can do so only at an unacceptably high cost. The Company's ability to meet payments on the Notes as they fall due is dependent on timely receipt of funds which may be delayed due to slow repayment on the Receivables underlying the Loan.

In the event that the Company has insufficient funds available to pay interest and/or principal on the Notes, the Company, under certain conditions and to the extent funds are available, is obliged to draw on the reserve fund to meet its obligations to the noteholders.

The table below reflects the undiscounted contractual cash flows of financial liabilities at the balance sheet date of both derivative and non-derivative financial instruments. The subordinated loan facility is repaid as and when there are sufficient proceeds from the Receivables.

As at 31 December 2013	Carrying value	Gross cash flows	In less than 1 month	After 1 month but within 3 months	After 3 months but within one year	After 1 year but within 5 years
	£	£	£	£	£	£
Notes	219,682,032	219,682,032	6,844,575	13,395,391	56,544,965	142,897,101
Interest payable on Notes	102,527	4,691,663	244,487	443,325	1,712,949	2,290,902
Subordinated Loan	21,365,647	21,365,647				21,365,647
Interest payable on Subordinated Loan	38,048	5,608,483	89,024	178,047	801,212	4,540,200
	241,188,254	251,347,825	7,178,086	14,016,763	59,059,126	171,093,850

Vault Funding Limited (formerly Vauxhall Auto UK Loan Trustee Limited)

Notes forming part of the financial statements for the period from 24 April 2013 (date of incorporation) to 31 December 2013 (Continued)

13 Financial instruments (Continued)

Market risk

Market risk is defined as the potential loss in value or earnings of an organisation arising from changes in external market factors

The Company is exposed to market risk in the form of interest rate risk

Interest rate risk

Interest rate risk exists where assets and liabilities have interest rates set under a different bases or which reset at different times. The Company minimises its exposure to interest rate risk by ensuring that the interest rate characteristics of the Receivables and the Notes (its principal assets and liabilities) are similar. Where this is not possible the Company uses derivative financial instruments to mitigate any residual interest rate risk. As such, no sensitivity analysis has been presented as any interest rate movement will be reflected in both the assets and liabilities.

Interest on the Notes is determined and payable quarterly in arrears. As at 31 December 2013 the following rates were applicable:

Notes	£	Interest rate as at 31 December 2013
Class A	109,841,016	Libor +0.8%
Class A	109,841,016	CP rate + 0.8%
Subordinated Loan	21,365,647	5%
	241,047,679	

At 31 December 2013, had three-month Sterling LIBOR been 25 basis points higher or lower, with all other variables held constant, the net effect on the Company's net margin would have been nil owing to the financial impact of the swaps in place.

At 31 December 2013 there would, however, have been some movement in the net fair value gains and losses on derivatives. As the entity does not trade in financial instruments and all derivatives are expected to be held to maturity any movement in the net fair value gains and losses on derivatives arising due to movements in interest rates will unwind over the life of the transaction.

13 Financial instruments (*Continued*)

Fair value of financial assets and liabilities

The following table shows the book value and fair value of the Company's financial assets and liabilities

	2013	2013
	Book value	Fair value
	£	£
Assets		
Loan	237,619,805	237,619,805
Cash and cash equivalents	10,847,424	10,847,424
Derivative financial instruments	1,289,709	1,289,709
	<u>249,756,938</u>	<u>249,756,938</u>
Liabilities		
Class A Notes	109,841,016	109,841,016
Class A Notes	109,841,016	109,841,016
Subordinated Loan	21,365,647	21,365,647
	<u>241,047,679</u>	<u>241,047,679</u>

The fair value of the Notes is based on current market spreads for the AAA rated Notes and for Subordinated Notes. Market prices of the Notes depend on how the Receivables are performing, therefore the fair value of the Loan has been calculated as being in line with the total fair value of the Notes, after allowing for the impact of the derivatives.

Due to the short term nature of prepayments and accrued income, other debtors and accruals, their fair value is approximate to their carrying value.

At the period end the Company has an interest rate swap contracts with total notional principal value of £219,682,032 to hedge the risk of fixed interest rates on the Receivables. The fair values of such interest rate swap contracts are calculated by discounting future cash flows using appropriate and observable market data.

The Company does not trade in financial instruments and therefore does not intend to dispose of the financial instruments until maturity.

Financial Reporting Standard 29 in relation to the nature of the financial instruments that are measured in the balance sheet at fair value requires them to be put into a fair value measurement hierarchy based on fair value measurement as detailed below:

Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1)

Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2)

Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3)

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Notes forming part of the financial statements for the period from 24 April 2013 (date of incorporation) to 31 December 2013 (*Continued*)

13 Financial instruments (*Continued*)

Fair value of financial assets and liabilities (*Continued*)

The only financial instruments included in the Company's balance sheet that are measured at fair value are derivative transactions. As the fair value of such derivatives is calculated by discounting future cash flows using appropriate market data, these fall within level 2 of the hierarchy.

14 Reconciliation of profit on ordinary activities before taxation to net cash outflow from operating activities

	2013 £
Profit on ordinary activities before taxation	500
Less Interest receivable on the Loan	(12,038,160)
Interest receivable on bank accounts	(21,142)
Increase in debtors	(1,045,189)
Add Interest payable on Notes	1,572,041
Interest payable on Subordinated Loan	702,020
Interest paid on interest rate swaps	181,403
Increase in creditors	9,616,425
Movement in Fair value of derivatives	(1,289,709)
Net cash outflow from operating activities	<u>(2,321,811)</u>

15 Reconciliation of net cash flow to movement in net debt

	2013 £
Increase in cash for the period	10,847,424
Net inflow from the issue of Notes	(219,682,032)
Net inflow from the issue of Subordinated Loan	(21,365,647)
Debt at end of period	<u>(230,200,255)</u>

16 Analysis of changes in net debt

	At 24 April 2013 £	Cash flow £	At 31 December 2013 £
Cash at bank and in hand	-	10,847,424	10,847,424
Floating Rate Notes	-	(219,682,032)	(219,682,032)
Subordinated Loan	-	(21,365,647)	(21,365,647)
	<u>-</u>	<u>(230,200,255)</u>	<u>(230,200,255)</u>

Vault Funding Limited (formerly Vauxhall Auto UK Loan Trustee Limited)

Notes forming part of the financial statements for the period from 24 April 2013 (date of incorporation) to 31 December 2013 (Continued)

17 Controlling party

The entire share capital of Vault Funding Limited is held by the legal parent company, SFM Corporate Services Limited, on a discretionary trust basis for the benefit of certain charities

Copies of the financial statements of SFM Corporate Services Limited, a company incorporated in Great Britain, registered in England and Wales, may be obtained from 35 Great St Helen's, London, EC3A 6AP

The smallest and largest group in which the results of Vault Funding Limited is included is General Motors Company, which is incorporated in the State of Delaware, United States of America. The consolidated financial statements of General Motors Company may be obtained from 100 Renaissance Centre, Detroit, Michigan, 48243, United States of America

18 Related party transactions

During the period fees of £26,355, were paid to Structured Finance Management Limited in respect of corporate services fees provided to the Company

SFM Corporate Services Limited is a wholly owned subsidiary of Structured Finance Management Limited

The table below details related party transactions the Company has with GMAC

	2013
	£
Assets:	
Loan	237,619,805
Other debtor	1,045,189
Liabilities:	
Subordinated Loan	21,365,647
Accruals and deferred income	9,691,220
Profit and loss	
Interest receivable	12,038,160
Interest payable	702,020
Deferred purchase price	9,389,395
Servicing fees	1,259,607