

Monthly Report incorporating:

**Fosse Trustee Limited
Fosse Master Issuer plc
Fosse Funding (No. 1) Limited**

Report Date:	31-Dec-08
Reporting Period:	01-Dec-08 to 31-Dec-08
Trust Calculation Date:	01-Jan-09

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MAIN PARTIES TO THE STRUCTURE

Alliance & Leicester plc Seller Servicer Cash Manager, Issuer Cash Manager Basis Swap Provider Start-up loan provider Account bank, for Mortgages Trustee, Funding 1 and Issuer Company Secretarial Services Provider	Fosse Master Issuer plc Issuer	Citibank, N.A. Agent Bank Principal Paying Agent Registrar Transfer Agent US Paying Agent Common Depository Exchange Rate Agent	Law Debenture Trust Company of New York Note Trustee Issuer Security Trustee Funding 1 Security Trustee	SFM Corporate Services Limited UK share trustee	Mourant & Co. Trustees Limited Jersey share trustee
	Fosse Trustee Limited Mortgages Trustee		Issuer Swap Providers ABN AMRO UBS AG Credit Suisse International The Royal Bank of Scotland plc Alliance & Leicester plc	Structured Finance Management Limited Corporate services provider (UK)	Mourant & Co. Limited Corporate services provider (Jersey)
	Fosse Funding (No. 1) Limited Funding 1				

COLLATERAL REPORT

Mortgage Loan Profile	
Original number of Mortgage Loans in Pool	42,395
Original current value of Mortgage Loans in Pool	£ 3,399,995,370
Current number of Mortgage Loans in Pool	80,484
Current value of Mortgage Loans in Pool	£ 6,609,002,630
Current number of Mortgage Loan product holdings in Pool (A Mortgage Loan may have more than one active loan product)	120,037
Weighted Average Seasoning (Months)	57
Weighted Average Remaining Term (Months)	216
Average Loan Size	£ 82,116
Weighted Average unindexed LTV at last valuation (by value)	60.13%

Mortgage Trust Assets	
Current value of Mortgage Loans in Pool at 31-Dec-08	£ 6,609,002,630
Last months Closing Trust Assets at 30-Nov-08	£ 6,704,893,383
Principal Ledger as calculated on 1-Jan-09	£ 198,331,044
Funding Share as calculated on 1-Jan-09	£ 4,133,097,978
Funding Share % as calculated on 1-Jan-09	62.53740%
Seller Share as calculated on 1-Jan-09	£ 2,475,904,652
Seller Share % as calculated on 1-Jan-09	37.46260%
Minimum Seller Share (Amount)	£ 297,726,247
Minimum Seller Share (% of Total)	4.50486%

Arrears Analysis of Non Repossessed Mortgage Loans	Number	Current balance £	Arrears £	By Number %	By current balance %
Less than 1 month in arrears	79,836	6,541,357,053	-	99.20%	98.99%
1<=3 months in arrears	424	42,674,246	377,870	0.53%	0.65%
>3<=6 months in arrears	124	13,248,944	298,028	0.15%	0.20%
>6<=9 months in arrears	49	6,341,467	222,214	0.06%	0.10%
>9<=12 months in arrears	28	2,686,274	140,550	0.03%	0.04%
More than 12 months in arrears	17	1,915,305	137,636	0.02%	0.03%
Total	80,478	6,608,223,289	1,176,298	100.00%	100.00%

Arrears are calculated in accordance with standard market practice in the UK. A mortgage is identified as being in arrears when, on any due date, the overdue amounts which were due on previous dates equal one or more full monthly payments and the total of arrears across all sub-accounts exceeds £150.

Properties in Possession	Number	Current balance £	Arrears £	Loss Amount £
Total Properties in Possession Since Inception	8	1,110,322	68,943	136,637
Repossessed (In Month)	-	-		
Sold (In Month)	0	0		
Current Number in Possession	6	779,341		
Total Properties Sold Since Inception	2	330,981		
Total Loss on Sale Brought Forward				136,637
Loss this Period				0
Total Loss on Sale Carried Forward				136,637
Recoveries				0
Total Net Loss				136,637

Substitution, redemptions and repurchases	Number of accounts this period	Current balance this period £
Substitution & Top up	0	0
Redeemed this period*	878	77,100,814
Repurchases this period	1	29,125

*Redemptions this period include 366 accounts where minor balances totalling £ (225,728) remain to be collected after redemption. These balances have been repurchased by the Seller.

CPR Analysis *	1 Month CPR %	12 Month CPR (Annualised) %
Current month	1.57%	23.53%
Previous month	1.91%	24.21%

* The CPR calculation includes repurchases by the Seller from the Trust

Product Breakdown (By Balance)	No of product holdings	% by number	Current balance £	% by balance
Bank of England Base Rate Tracker Loans	37,832	31.52%	2,253,443,764	34.10%
Fixed Rate Loans	42,175	35.14%	2,933,098,975	44.38%
Discounted SVR Loans	14,409	12.00%	720,035,882	10.89%
Standard Variable Rate Loans	25,621	21.34%	702,424,008	10.63%
Total	120,037	100.00%	6,609,002,630	100.00%

Standard Variable Rate	
Existing Borrowers SVR	5.84%
Effective Date Of Change	02-Dec-08
Previous Existing Borrowers SVR	6.94%
Effective Date of Change	02-Nov-08

Payment Type (By Balance)	No of product holdings	% by number	Current balance £	% by balance
Repayment	81,557	67.94%	3,986,984,153	60.33%
Interest only and Combined repayment & int-only	38,480	32.06%	2,622,018,477	39.67%
Total	120,037	100.00%	6,609,002,630	100.00%

Use Of Proceeds (By Balance)	No of product holdings	% by number	Current balance £	% by balance
House Purchase	49,291	41.06%	3,884,906,530	58.78%
Remortgage	70,743	58.93%	2,723,958,221	41.22%
Other	3	0.00%	137,878	0.00%
Total	120,037	100.00%	6,609,002,630	100.00%

Analysis of Mortgage loan size at reporting date £	Number of accounts	% by number	Current balance £	% by balance
>0 =<50,000	28,205	35.04%	817,110,737	12.36%
>50,000 =<100,000	28,711	35.67%	2,095,699,733	31.71%
>100,000 =<150,000	14,309	17.78%	1,739,342,075	26.32%
>150,000 =<200,000	5,422	6.74%	925,123,063	14.00%
>200,000 =<250,000	2,159	2.68%	476,535,967	7.21%
>250,000 =<300,000	813	1.01%	219,828,004	3.33%
>300,000 =<350,000	396	0.49%	127,364,950	1.93%
>350,000 =<400,000	196	0.24%	72,600,194	1.10%
>400,000 =<450,000	107	0.13%	45,121,364	0.68%
>450,000 =<500,000	63	0.08%	29,741,051	0.45%
>500,000 =<550,000	39	0.05%	20,405,489	0.31%
>550,000 =<600,000	25	0.03%	14,420,864	0.22%
>600,000 =<650,000	19	0.02%	11,824,356	0.18%
>650,000 =<700,000	14	0.02%	9,515,799	0.14%
>700,000 =<750,000	6	0.01%	4,368,984	0.07%
Total	80,484	100.00%	6,609,002,630	100.00%

Geographical Analysis By Region	Number of accounts	% by number	Current balance £	% by balance
East Anglia	3,034	3.77%	233,473,975	3.53%
East Midlands	6,924	8.60%	480,986,198	7.28%
Greater London	3,521	4.37%	516,820,644	7.82%
Northern England	3,225	4.01%	230,812,734	3.49%
North West	7,917	9.84%	595,282,467	9.01%
South East	15,999	19.88%	1,708,171,805	25.85%
South West	6,550	8.14%	528,914,227	8.00%
West Midlands	5,613	6.97%	444,781,843	6.73%
Yorkshire & Humberside	6,570	8.16%	466,567,675	7.06%
Scotland	10,570	13.13%	691,316,693	10.46%
Wales	3,932	4.89%	267,830,892	4.05%
Northern Ireland	6,629	8.24%	444,043,478	6.72%
Total	80,484	100.00%	6,609,002,630	100.00%

Loan to Value at Last Valuation	Number	%	Current balance	%
Using current capital balance and unindexed latest valuation	of accounts	by number	£	by balance
>0% =<25%	13,445	16.71%	372,433,466	5.64%
>25% =<50%	25,087	31.17%	1,683,147,220	25.47%
>50% =<75%	26,879	33.40%	2,728,895,671	41.29%
>75% =<80%	4,440	5.52%	517,035,417	7.82%
>80% =<85%	4,432	5.51%	546,106,553	8.26%
>85% =<90%	3,648	4.53%	464,404,131	7.03%
>90% =<95%	1,811	2.25%	213,019,612	3.22%
>95% =<100%	729	0.91%	82,451,609	1.25%
>100%	13	0.02%	1,508,951	0.02%
Total	80,484	100.00%	6,609,002,630	100.00%

Indexed Current Loan to Value	Number	%	Current balance	%
Using current capital balance and HPI indexed latest valuation	of accounts	by number	£	by balance
>0% =<25%	22,035	27.38%	746,031,998	11.29%
>25% =<50%	28,749	35.72%	2,170,633,760	32.84%
>50% =<75%	18,682	23.21%	2,179,933,805	32.98%
>75% =<80%	2,771	3.44%	382,342,341	5.79%
>80% =<85%	2,678	3.33%	369,837,346	5.60%
>85% =<90%	2,319	2.88%	316,620,745	4.79%
>90% =<95%	1,722	2.14%	230,859,121	3.49%
>95% =<100%	1,051	1.31%	144,610,716	2.19%
>100%	477	0.59%	68,132,798	1.03%
Total	80,484	100.00%	6,609,002,630	100.00%

LOAN NOTE REPORT

Closing date 28/11/2006
Report date 31/12/2008

Series 2006-1 Notes

2006-1	ISIN	Ratings S&P/Moody's/Fitch	Currency	Original Balance	Repaid	Outstanding	Reference rate	Margin p.a.%	Current interest rate p.a.%	Next coupon date	Interest next coupon	Step up Date	Legal Maturity
A1	XS0274283984	AAA/Aaa/AAA	USD	937,500,000	(937,500,000)	0	1M USD LIBOR	0.03000%	-	-	-	Jul-2011	Oct-2031
A2	XS0274284792	AAA/Aaa/AAA	USD	1,250,000,000	(143,190,261)	1,106,809,739	3M USD LIBOR	0.06000%	4.56250%	20/01/2009	12,905,094	Jul-2011	Oct-2054
A3	XS0274289759	AAA/Aaa/AAA	EUR	937,500,000	0	937,500,000	3M EURIBOR	0.10000%	5.19000%	20/01/2009	12,434,375	Jul-2011	Oct-2054
A4	XS0274293785	AAA/Aaa/AAA	GBP	542,000,000	0	542,000,000	3M GBP LIBOR	0.11000%	6.22625%	20/01/2009	8,505,910	Jan-2013	Oct-2054
B1	XS0274285336	AA/Aa3/AA	USD	33,500,000	(33,500,000)	0	3M USD LIBOR	0.09000%	4.59250%	20/01/2009	0	Jul-2011	Oct-2054
B2	XS0274285682	AA/Aa3/AA	USD	45,000,000	0	45,000,000	3M USD LIBOR	0.16000%	4.66250%	20/01/2009	536,188	Jul-2011	Oct-2054
B3	XS0274290252	AA/Aa3/AA	EUR	37,000,000	0	37,000,000	3M EURIBOR	0.17000%	5.26000%	20/01/2009	497,362	Jan-2013	Oct-2054
B4	XS0274294163	AA/Aa3/AA	GBP	16,750,000	0	16,750,000	3M GBP LIBOR	0.17000%	6.28625%	20/01/2009	265,400	Jan-2013	Oct-2054
M1	XS0274286730	A/A2/A	USD	26,000,000	(26,000,000)	0	3M USD LIBOR	0.17000%	4.67250%	20/01/2009	0	Jul-2011	Oct-2054
M2	XS0274287621	A/A2/A	USD	34,500,000	0	34,500,000	3M USD LIBOR	0.25000%	4.75250%	20/01/2009	419,012	Jul-2011	Oct-2054
M3	XS0274291060	A/A2/A	EUR	27,500,000	0	27,500,000	3M EURIBOR	0.27000%	5.36000%	20/01/2009	376,689	Jan-2013	Oct-2054
M4	XS0274294759	A/A2/A	GBP	13,750,000	0	13,750,000	3M GBP LIBOR	0.27000%	6.38625%	20/01/2009	221,332	Jan-2013	Oct-2054
C2	XS0274288942	BBB/Baa2/BBB	USD	40,500,000	0	40,500,000	3M USD LIBOR	0.47000%	4.97250%	20/01/2009	514,654	Jul-2011	Oct-2054
C3	XS0274291656	BBB/Baa2/BBB	EUR	22,500,000	0	22,500,000	3M EURIBOR	0.45000%	5.54000%	20/01/2009	318,550	Jan-2013	Oct-2054
C4	XS0274294916	BBB/Baa2/BBB	GBP	6,250,000	0	6,250,000	3M GBP LIBOR	0.45000%	6.56625%	20/01/2009	103,441	Jan-2013	Oct-2054

Closing date 01/08/2007

Series 2007-1 Notes

2007-1	ISIN	Ratings S&P/Moody's/Fitch	Currency	Original Balance	Repaid	Outstanding	Reference rate	Margin p.a.%	Current interest rate p.a.%	Next coupon date	Interest next coupon	Step up Date	Legal Maturity
A1a	XS0312388035	AAA/Aaa/AAA	USD	540,000,000	(399,950,532)	140,049,468	1M USD LIBOR	0.05000%	0.93375%	20/01/2009	119,874	Jul-2012	Nov-2031
A1b	XS0312977613	AAA/Aaa/AAA	EUR	550,000,000	(407,357,024)	142,642,976	3M EURIBOR	0.06000%	5.15000%	20/01/2009	1,877,340	Jul-2012	Nov-2031
A2	XS0312388209	AAA/Aaa/AAA	USD	450,000,000	0	450,000,000	3M USD LIBOR	0.08000%	4.58250%	20/01/2009	5,269,875	Jul-2012	Oct-2054
A3	XS0312388548	AAA/Aaa/AAA	EUR	685,000,000	0	685,000,000	3M EURIBOR	0.12000%	5.21000%	20/01/2009	9,120,394	Jul-2012	Oct-2054
A4	XS0312388621	AAA/Aaa/AAA	GBP	775,000,000	0	775,000,000	3M GBP LIBOR	0.13000%	6.24625%	20/01/2009	12,201,579	Jul-2012	Oct-2054
A5	XS0312915340	AAA/Aaa/AAA	USD	500,000,000	0	500,000,000	3M USD LIBOR	0.10000%	4.60250%	20/01/2009	5,880,972	Jul-2012	Oct-2054
B1	XS0312389272	AA/Aa3/AA	USD	36,250,000	0	36,250,000	3M USD LIBOR	0.15000%	4.65250%	20/01/2009	431,002	Apr-2010	Oct-2054
B3	XS0312389439	AA/Aa3/AA	EUR	70,000,000	0	70,000,000	3M EURIBOR	0.20000%	5.29000%	20/01/2009	946,322	Apr-2010	Oct-2054
B4	XS0312389603	AA/Aa3/AA	GBP	12,000,000	0	12,000,000	3M GBP LIBOR	0.20000%	6.31625%	20/01/2009	191,045	Apr-2010	Oct-2054
M1	XS0312389785	A/A2/A	USD	20,200,000	0	20,200,000	3M USD LIBOR	0.30000%	4.80250%	20/01/2009	247,916	Apr-2010	Oct-2054
M3	XS0312390015	A/A2/A	EUR	28,500,000	0	28,500,000	3M EURIBOR	0.35000%	5.44000%	20/01/2009	396,213	Apr-2010	Oct-2054
M4	XS0312390106	A/A2/A	GBP	30,000,000	0	30,000,000	3M GBP LIBOR	0.35000%	6.46625%	20/01/2009	488,955	Apr-2010	Oct-2054
C2	XS0312390957	BBB/Baa2/BBB	USD	25,000,000	0	25,000,000	3M USD LIBOR	0.55000%	5.05250%	20/01/2009	322,799	Apr-2010	Oct-2054
C3	XS0312391179	BBB/Baa2/BBB	EUR	14,000,000	0	14,000,000	3M EURIBOR	0.55000%	5.64000%	20/01/2009	201,787	Apr-2010	Oct-2054
C4	XS0312391252	BBB/Baa2/BBB	GBP	18,000,000	0	18,000,000	3M GBP LIBOR	0.55000%	6.66625%	20/01/2009	302,447	Apr-2010	Oct-2054

Closing date 21/08/2008

Series 2008-1 Notes

2008-1	ISIN	Ratings S&P/Moody's/Fitch	Currency	Original Balance	Repaid	Outstanding	Reference rate	Margin p.a.%	Current interest rate p.a.%	Next coupon date	Interest next coupon	Step up Date	Legal Maturity
A1	XS0000014022	AAA/Aaa/AAA	USD	150,000,000	0	150,000,000	3M USD LIBOR	0.60000%	5.10250%	20/01/2009	1,955,958	Jan-2010	Oct-2054
A2	XS0000014023	AAA/Aaa/AAA	EUR	400,000,000	(10,197,726)	389,802,274	3M EURIBOR	0.90000%	5.99000%	20/01/2009	5,967,007	Oct-2012	Oct-2054

Combined Credit Enhancement	Total £	% of Total	Current note subordination	Subordination +Reserve Fund	% Required
Class A Notes	£3,998,365,044	92.31%	7.69%	9.58%	9.25%
Class B Notes	£141,735,836	3.27%	4.42%	6.31%	5.95%
Class M Notes	£109,216,101	2.52%	1.90%	3.79%	3.40%
Class C Notes	£82,092,358	1.90%	0.00%	1.89%	1.70%
	£4,331,409,338	100.00%			
Funding Reserve Fund Requirement	£81,888,000	1.89%			

Interest shortfall in period	£0
Cumulative interest shortfall	£0
Principal shortfall in period	£0
Cumulative principal shortfall	£0
Cumulative net loss	£0
Excess principal paid in current period	£0

Funding Reserve Fund	
Balance Brought Forward	£81,888,000
Drawings	£0
Top Up	£0
Balance Carried Forward	£81,888,000

Funding Principal Ledger-AAA	£198,331,044
Funding Principal Ledger-AA	£0
Funding Principal Ledger-A	£0
Total Funding Principal Ledger	£198,331,044

Excess Spread	
Excess Spread This Month Annualised	0.72%
Excess Spread Rolling 12 Month Average	0.70%

*Excess spread is calculated at each quarterly interest payment date

TRIGGER EVENTS	
Asset	
Amount debited to AAA principal deficiency sub ledger (Funding programme notes outstanding)	None
Non Asset	
Insolvency event occurs in relation to Seller	None
Sellers role as administrator terminated & new administrator is not appointed within 60 days	None
The then current Seller Share is less than the adjusted Minimum Seller Share for 2 consecutive Trust Calculation Dates	None
The aggregate outstanding principal balance of loans in the Trust is less than the required loan balance amount specified in the most recent final terms	None
An arrears trigger event will occur if:	
The outstanding principal balance of the loans in arrears for more than 3 times the monthly payment then due divided by the outstanding principal balance of all of the loans in the mortgages trust (expressed as a percentage) exceeds 2 per cent.	None
Full details of all trigger events can be found within the Fosse Master Issuer plc offering circular	

Notes

1 Current number of mortgages

This is the sum of all product holdings secured by a borrower(s) on a single property.

2 Current value of mortgages

Includes all amounts of principal, interest and fees as yet unpaid by the borrower.

3 Funder Share

The percentage funder share is calculated net of accrued interest.

4 Seasoning

This is the age of the loan at the report date in months based on the Main Mortgage Completion Date.

Main Mortgage Completion Date is the date the borrower first took out a loan on the secured property. The initial loan may have been repaid and replaced by subsequent lending under the same mortgage agreement and updated terms and conditions.

5 Remaining term

This is the remaining term of the loan at the report date in months .

6 Product breakdown

Bank of England Base Rate Tracker Loans includes loans issued at a discount or premium to base rate.

All loans in the Discount category are linked to SVR.

7 Payment Type

Most loans that are not fully repayment mortgages comprise an interest only portion, on which there are no scheduled principal repayments and a repayment portion for which there is a scheduled amortisation.

8 Loan to Value (LTV) at Last Valuation

Further advances may be made on existing loans based on the indexed LTV without carrying out a formal valuation. This occasionally gives rise to the unindexed LTV recording an unrealistically high LTV. Indexed and unindexed LTVs include all further advances on a loan - but exclude any flexible drawdown reservoir.