

Monthly Report incorporating:

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

Report Date:	31-May-08
Reporting Period:	01-May-08 to 31-May-08
Trust Calculation Date:	01-Jun-08

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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			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	88,996
Current value of Mortgage Loans in Pool	£ 7,554,325,925
Current number of Mortgage Loan product holdings in Pool (A Mortgage Loan may have more than one active loan product)	129,950
Weighted Average Seasoning (Months)	49
Weighted Average Remaining Term (Months)	224
Average Loan Size	£ 84,884
Weighted Average unindexed LTV at last valuation (by value)	61.19%

Mortgage Trust Assets	
Current value of Mortgage Loans in Pool at 31-May-08	£ 7,554,325,925
Last months Closing Trust Assets at 30-Apr-08	£ 7,708,417,559
Principal Ledger as calculated on 1-Jun-08	£ 175,712,090
Funding Share as calculated on 1-Jun-08	£ 4,120,628,629
Funding Share % as calculated on 1-Jun-08	54.54661%
Seller Share as calculated on 1-Jun-08	£ 3,433,697,297
Seller Share % as calculated on 1-Jun-08	45.45339%
Minimum Seller Share (Amount)	£ 323,197,448
Minimum Seller Share (% of Total)	4.27831%

Arrears Analysis of Non Repossessed Mortgage Loans	Number	Current balance £	Arrears £	By Number %	By current balance %
Less than 1 month in arrears	88,436	7,497,254,475	-	99.37%	99.25%
1<=3 months in arrears	495	50,754,526	463,728	0.56%	0.67%
>3<=6 months in arrears	44	4,211,830	129,962	0.05%	0.06%
>6<=9 months in arrears	13	1,271,023	59,252	0.01%	0.02%
>9<=12 months in arrears	4	251,651	20,058	0.00%	0.00%
More than 12 months in arrears	1	89,061	9,751	0.00%	0.00%
Total	88,993	7,553,832,566	682,751	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	3	493,360	22,159	-
Repossessed (In Month)	1	168,029		
Sold (In Month)	-	-		
Current Number Carried Forward	3	493,360		
Total Properties Sold Since Inception	-	-		
Sale price / Last loan valuation	-	-		
Average Time from Possession to Sale	-	-		
Average Arrears at Sale	-	-		
Average Loss On Sale Of Properties To Date	-	-		
Total Principal Loss (since inception)	-	-		
Total Principal Loss (current month)	-	-		
Accounts experiencing a loss since inception	-	-		

Substitution, redemptions and repurchases	Number of accounts this period	Current balance this period £
Substitution & Top up	0	0
Redeemed this period*	1,390	134,145,412
Repurchases this period	0	0

*Redemptions this period include 534 accounts where minor balances totalling £ 740,122 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	2.17%	25.55%
Previous month	3.35%	25.54%

* 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	38,627	29.72%	2,438,946,526	32.29%
Fixed Rate Loans	51,723	39.80%	3,765,083,481	49.84%
Discounted SVR Loans	15,495	11.92%	809,663,115	10.72%
Standard Variable Rate Loans	24,105	18.55%	540,632,803	7.16%
Total	129,950	100.00%	7,554,325,925	100.00%

Standard Variable Rate	
Existing Borrowers SVR	7.19%
Effective Date Of Change	02-May-08
Previous Existing Borrowers SVR	7.44%
Effective Date of Change	02-Mar-08

Payment Type (By Balance)	No of product holdings	% by number	Current balance £	% by balance
Repayment	88,531	68.13%	4,621,228,985	61.17%
Interest only and Combined repayment & int-only	41,419	31.87%	2,933,096,940	38.83%
Total	129,950	100.00%	7,554,325,925	100.00%

Use Of Proceeds (By Balance)	No of product holdings	% by number	Current balance £	% by balance
House Purchase	54,938	42.28%	4,505,389,092	59.64%
Remortgage	75,009	57.72%	3,048,796,976	40.36%
Other	3	0.00%	139,858	0.00%
Total	129,950	100.00%	7,554,325,925	100.00%

Analysis of Mortgage loan size at reporting date £	Number of accounts	% of Total	Current balance £	% of Total
>0 =<50,000	29,399	33.03%	870,013,063	11.52%
>50,000 =<100,000	31,982	35.94%	2,340,673,730	30.98%
>100,000 =<150,000	16,589	18.64%	2,016,802,123	26.70%
>150,000 =<200,000	6,474	7.27%	1,105,928,398	14.64%
>200,000 =<250,000	2,628	2.95%	580,888,184	7.69%
>250,000 =<300,000	933	1.05%	252,885,744	3.35%
>300,000 =<350,000	430	0.48%	138,652,675	1.84%
>350,000 =<400,000	234	0.26%	86,869,703	1.15%
>400,000 =<450,000	125	0.14%	52,595,379	0.70%
>450,000 =<500,000	81	0.09%	38,205,873	0.51%
>500,000 =<550,000	46	0.05%	24,159,334	0.32%
>550,000 =<600,000	33	0.04%	18,896,658	0.25%
>600,000 =<650,000	22	0.02%	13,737,538	0.18%
>650,000 =<700,000	13	0.01%	8,810,094	0.12%
>700,000 =<750,000	6	0.01%	4,331,725	0.06%
>750,000 =<900,000	1	0.00%	875,705	0.01%
Total	88,996	100.00%	7,554,325,925	100.00%

Geographical Analysis By Region	Number of accounts	% of Total	Current balance £	% of Total
East Anglia	3,373	3.79%	267,119,503	3.54%
East Midlands	7,551	8.48%	541,737,119	7.17%
Greater London	4,077	4.58%	620,823,706	8.22%
Northern England	3,557	4.00%	260,272,135	3.45%
North West	8,668	9.74%	669,446,329	8.86%
South East	17,906	20.12%	1,971,303,193	26.10%
South West	7,268	8.17%	608,742,740	8.06%
West Midlands	6,189	6.95%	506,348,394	6.70%
Yorkshire & Humberside	7,224	8.12%	528,778,689	7.00%
Scotland	11,705	13.15%	787,416,848	10.42%
Wales	4,346	4.88%	304,538,337	4.03%
Northern Ireland	7,132	8.01%	487,798,933	6.46%
Total	88,996	100.00%	7,554,325,925	100.00%

Loan to Value at Last Valuation	Number of accounts	% of Total	Current balance £	% of Total
Using current capital balance and unindexed latest valuation				
>0% =<25%	13,337	14.99%	382,813,313	5.07%
>25% =<50%	27,047	30.39%	1,835,803,857	24.30%
>50% =<75%	30,272	34.02%	3,103,226,762	41.08%
>75% =<80%	5,162	5.80%	605,981,238	8.02%
>80% =<85%	5,073	5.70%	626,382,163	8.29%
>85% =<90%	4,833	5.43%	619,428,175	8.20%
>90% =<95%	2,399	2.70%	281,742,679	3.73%
>95% =<100%	868	0.98%	98,548,409	1.30%
>100% =<105%	5	0.01%	399,330	0.01%
Total	88,996	100.00%	7,554,325,925	100.00%

Indexed Current Loan to Value	Number of accounts	% of Total	Current balance £	% of Total
Using current capital balance and HPI indexed latest valuation				
>0% =<25%	26,478	29.75%	1,016,729,759	13.46%
>25% =<50%	33,258	37.37%	2,760,327,738	36.54%
>50% =<75%	20,759	23.33%	2,611,835,042	34.57%
>75% =<80%	3,257	3.66%	458,352,562	6.07%
>80% =<85%	2,775	3.12%	370,976,847	4.91%
>85% =<90%	1,762	1.98%	240,545,140	3.18%
>90% =<95%	602	0.68%	81,641,139	1.08%
>95% =<100%	100	0.11%	13,223,317	0.18%
>100% =<105%	5	0.01%	694,380	0.01%
Total	88,996	100.00%	7,554,325,925	100.00%

LOAN NOTE REPORT

Closing date 28/11/2006
Report date 31/05/2008

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	(859,466,488)	78,033,512	1M USD LIBOR	0.03000%	2.52750%	18/06/2008	164,358	Jul-2011	Oct-2031
A2	XS0274284792	AAA/Aaa/AAA	USD	1,250,000,000	0	1,250,000,000	3M USD LIBOR	0.06000%	2.79375%	18/07/2008	8,827,474	Jul-2011	Oct-2054
A3	XS0274289759	AAA/Aaa/AAA	EUR	937,500,000	0	937,500,000	3M EURIBOR	0.10000%	4.87400%	18/07/2008	11,550,365	Jul-2011	Oct-2054
A4	XS0274293785	AAA/Aaa/AAA	GBP	542,000,000	0	542,000,000	3M GBP LIBOR	0.11000%	6.00375%	18/07/2008	8,112,793	Jan-2013	Oct-2054
B1	XS0274285336	AA/Aa3/AA	USD	33,500,000	0	33,500,000	3M USD LIBOR	0.09000%	2.82375%	18/07/2008	239,117	Jul-2011	Oct-2054
B2	XS0274285682	AA/Aa3/AA	USD	45,000,000	0	45,000,000	3M USD LIBOR	0.16000%	2.89375%	18/07/2008	329,164	Jul-2011	Oct-2054
B3	XS0274290252	AA/Aa3/AA	EUR	37,000,000	0	37,000,000	3M EURIBOR	0.17000%	4.94400%	18/07/2008	462,401	Jan-2013	Oct-2054
B4	XS0274294163	AA/Aa3/AA	GBP	16,750,000	0	16,750,000	3M GBP LIBOR	0.17000%	6.06375%	18/07/2008	253,224	Jan-2013	Oct-2054
M1	XS0274286730	A/A2/A	USD	26,000,000	0	26,000,000	3M USD LIBOR	0.17000%	2.90375%	18/07/2008	190,841	Jul-2011	Oct-2054
M2	XS0274287621	A/A2/A	USD	34,500,000	0	34,500,000	3M USD LIBOR	0.25000%	2.98375%	18/07/2008	260,208	Jul-2011	Oct-2054
M3	XS0274291060	A/A2/A	EUR	27,500,000	0	27,500,000	3M EURIBOR	0.27000%	5.04400%	18/07/2008	350,628	Jan-2013	Oct-2054
M4	XS0274294759	A/A2/A	GBP	13,750,000	0	13,750,000	3M GBP LIBOR	0.27000%	6.16375%	18/07/2008	211,298	Jan-2013	Oct-2054
C2	XS0274288942	BBB/Baa2/BBB	USD	40,500,000	0	40,500,000	3M USD LIBOR	0.47000%	3.20375%	18/07/2008	327,984	Jul-2011	Oct-2054
C3	XS0274291656	BBB/Baa2/BBB	EUR	22,500,000	0	22,500,000	3M EURIBOR	0.45000%	5.22400%	18/07/2008	297,115	Jan-2013	Oct-2054
C4	XS0274294916	BBB/Baa2/BBB	GBP	6,250,000	0	6,250,000	3M GBP LIBOR	0.45000%	6.34375%	18/07/2008	98,850	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	(224,082,570)	315,917,430	1M USD LIBOR	0.05000%	2.54750%	18/06/2008	670,666	Jul-2012	Nov-2031
A1b	XS0312977613	AAA/Aaa/AAA	EUR	550,000,000	(228,232,248)	321,767,752	3M EURIBOR	0.06000%	4.83400%	18/07/2008	3,931,770	Jul-2012	Nov-2031
A2	XS0312388209	AAA/Aaa/AAA	USD	450,000,000	0	450,000,000	3M USD LIBOR	0.08000%	2.81375%	18/07/2008	3,200,641	Jul-2012	Oct-2054
A3	XS0312388548	AAA/Aaa/AAA	EUR	685,000,000	0	685,000,000	3M EURIBOR	0.12000%	4.89400%	18/07/2008	8,474,097	Jul-2012	Oct-2054
A4	XS0312388621	AAA/Aaa/AAA	GBP	775,000,000	0	775,000,000	3M GBP LIBOR	0.13000%	6.02375%	18/07/2008	11,639,040	Jul-2012	Oct-2054
A5	XS0312915340	AAA/Aaa/AAA	USD	500,000,000	0	500,000,000	3M USD LIBOR	0.10000%	2.83375%	18/07/2008	3,581,545	Jul-2012	Oct-2054
B1	XS0312389272	AA/Aa3/AA	USD	36,250,000	0	36,250,000	3M USD LIBOR	0.15000%	2.88375%	18/07/2008	264,244	Apr-2010	Oct-2054
B3	XS0312389439	AA/Aa3/AA	EUR	70,000,000	0	70,000,000	3M EURIBOR	0.20000%	4.97400%	18/07/2008	880,122	Apr-2010	Oct-2054
B4	XS0312389603	AA/Aa3/AA	GBP	12,000,000	0	12,000,000	3M GBP LIBOR	0.20000%	6.09375%	18/07/2008	182,312	Apr-2010	Oct-2054
M1	XS0312389785	A/A2/A	USD	20,200,000	0	20,200,000	3M USD LIBOR	0.30000%	3.03375%	18/07/2008	154,907	Apr-2010	Oct-2054
M3	XS0312390015	A/A2/A	EUR	28,500,000	0	28,500,000	3M EURIBOR	0.35000%	5.12400%	18/07/2008	369,142	Apr-2010	Oct-2054
M4	XS0312390106	A/A2/A	GBP	30,000,000	0	30,000,000	3M GBP LIBOR	0.35000%	6.24375%	18/07/2008	466,998	Apr-2010	Oct-2054
C2	XS0312390957	BBB/Baa2/BBB	USD	25,000,000	0	25,000,000	3M USD LIBOR	0.55000%	3.28375%	18/07/2008	207,515	Apr-2010	Oct-2054
C3	XS0312391179	BBB/Baa2/BBB	EUR	14,000,000	0	14,000,000	3M EURIBOR	0.55000%	5.32400%	18/07/2008	188,410	Apr-2010	Oct-2054
C4	XS0312391252	BBB/Baa2/BBB	GBP	18,000,000	0	18,000,000	3M GBP LIBOR	0.55000%	6.44375%	18/07/2008	289,174	Apr-2010	Oct-2054

Combined Credit Enhancement	Total £	% of Total	Current note subordination	Subordination +Reserve Fund	% Required
Class A Notes	£3,932,168,286	91.52%	8.48%	10.38%	9.25%
Class B Notes	£159,252,176	3.71%	4.77%	6.68%	5.95%
Class M Notes	£122,810,872	2.86%	1.91%	3.82%	3.40%
Class C Notes	£82,092,358	1.91%	0.00%	1.91%	1.70%
	£4,296,323,692	100.00%			
Funding Reserve Fund Requirement	£81,888,000	1.91%			

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	£145,689,249
Funding Principal Ledger-AA	£16,903,617
Funding Principal Ledger-A	£13,119,225
Total Funding Principal Ledger	£175,712,090

Excess Spread	
Excess Spread This Month Annualised	0.75%
Excess Spread Rolling 12 Month Average	0.72%

*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.