

Creation Financial Services Limited
Annual report and financial statements
for the year ended 31 December 2007

Registered number 1091883

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Creation Financial Services Limited

Annual report and financial statements for the year ended 31 December 2007

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Creation Financial Services Limited

Directors and advisors for the year ended 31 December 2007

Directors

J M Chanavas
J P Charles
J Darrieu
J Y Granger
S A R Hunt
C Lory

Secretaries

R D Holmes
J S McCulloch

Registered office

Chadwick House
Blenheim Court
Solihull
B91 2AA

Independent auditors

PricewaterhouseCoopers LLP
Chartered accountants and registered auditors
Cornwall Court
19 Cornwall Street
Birmingham
B3 2DT

Creation Financial Services Limited

Directors' report for the year ended 31 December 2007

The directors present their annual report together with the audited financial statements for the year ended 31 December 2007

Principal activities

The principal activity of the Company is that of a finance company offering a store card service. In addition, the Company offers other personal credit facilities.

Review of business

The challenging consumer environment and increasing levels of individual insolvencies has had an impact on the results for the year. However, the Company continues to develop new products and to look into new areas of business to minimise the impacts of the changing consumer environment. In addition, the Company has developed and will continue to review strategies to minimise the impact of bad debts.

The Company's directors are of the opinion that an analysis using KPI's is not necessary for an understanding of the development, performance or position of the business and hence this has not been presented. The results for the year are set out in the income statement on page 7.

On 31 August 2007, to streamline the corporate structure, the Company hived up the activities of Allders Financial Services Limited into Creation Financial Services Limited at no gain or loss. All assets and liabilities were transferred to the Company at book value which was also considered to be their fair values.

Principal risks and uncertainties

The Company's operations expose it to a variety of financial risks, but in particular credit risk. The company has in place a risk management programme that seeks to limit the adverse effects on the financial performance of the company by monitoring the exposure.

Changes in government policy, legislation or regulatory interpretation applying to companies in the financial services industry may adversely affect the Company's product range, capital requirements and, consequently, reported results and financing requirements.

Financial risk management

The Company takes on exposure to credit risk, which is the risk that the counterparty will be unable to pay amounts in full when due. Significant changes in the economy, or in the health of a particular retail sector that represents a concentration of the Company's portfolio, could result in losses that are different to those provided at the balance sheet date. Management carefully manages its exposure to credit risk, and this is monitored by the risk department who work closely with the finance department. In addition, the Company continues to implement policies to ensure appropriate credit checks are carried on potential customers. During the year, additional procedures have been implemented which have improved the collection performance of customers in arrears.

Trading results

The profit before tax for the year amounted to £5,807,980 (2006: £2,587,560).

Creation Financial Services Limited

Directors' report for the year ended 31 December 2007 (continued)

Dividend and transfer to reserves

The profit for the financial year after tax of £3,655,980 (2006 £2,420,560) has been transferred to reserves. The directors do not recommend the payment of a dividend (2006 £nil)

Directors

The directors listed below have held office during the whole of the period from 1 January 2007 to the date of this report unless otherwise stated

J Campagne-Ibarcq	(resigned 11 January 2006)
J M Chanavas	
J P Charles	
J Darrieu	
P A Elliott	(resigned 1 January 2007)
J Y Granger	
S A R Hunt	
C Lory	

Employment policy

During the year the Company has continued to maintain, as far as practicable, close consultation with employees or their representative on matters likely to affect their interests. By means of meetings and staff publications, the Company has endeavoured to keep employees informed about the progress of their Company.

It is the policy of the Company to ensure that the talents and resources of employees are utilised to the full and that no job applicant or employee receives less favourable treatment on the grounds of gender, marital status, social class, colour, race, ethnic origin, creed or disability or is disadvantaged by conditions or requirements which cannot be shown to be justifiable. Close attention is always given to employees' health and safety with particular regard to the requirements of the Health and Safety at Work Legislation.

Post balance sheet event

On 10 January 2008, LaSer Cofinoga SA subscribed for £49,702,540 of additional share capital in Creation Financial Services. This was made up of the same number of £1 ordinary shares.

Statement of directors' responsibilities in respect of the Annual Report and the financial statements

The directors are responsible for preparing the Annual 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 elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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.

Creation Financial Services Limited

Directors' report for the year ended 31 December 2007 (continued)

Statement of directors' responsibilities in respect of the Annual Report and the financial statements (continued)

In preparing those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and 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 confirm that they have complied with the above requirements in preparing the financial statements

The directors are responsible for keeping proper accounting records that 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 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

Statement of disclosure of information to auditors

Each of the persons who is a director at the date of approval of this report confirms that

- 1) so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- 2) the director has taken all steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information

Auditors

A resolution to reappoint PricewaterhouseCoopers LLP as auditors to the Company will be proposed at the Annual General Meeting

By order of the Board



R D Holmes
Company Secretary
23 April 2008

Independent Auditors' Report to the members of Creation Financial Services Limited

We have audited the financial statements of Creation Financial Services Limited for the year ended 31 December 2007 which comprise the profit and loss account, the balance sheet, and the related notes. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

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

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

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

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

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

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

Independent Auditors' Report to the members of Creation Financial Services Limited (continued)

Opinion

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2007 and of its profit for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Directors' Report is consistent with the financial statements

A handwritten signature in black ink, appearing to read 'PricewaterhouseCoopers LLP', with a long horizontal flourish extending to the right.

PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
Birmingham
23 April 2008

Creation Financial Services Limited

Profit and loss account for the year ended 31 December 2007

		2007	2006
	Notes	£	£
Turnover – continuing operations		51,130,881	55,057,875
Turnover – acquisitions		1,095,471	-
Turnover	1	52,226,352	55,057,875
Administrative expenses – exceptional items	2	-	(1,543,346)
Administrative expenses – continuing operations		(39,037,591)	(44,720,725)
Administrative expenses – acquisitions		(517,884)	-
Total administrative expenses		(39,555,475)	(46,264,071)
Operating profit – continuing operations		12,093,290	8,793,804
Operating profit – acquisitions		577,587	-
Operating profit	2	12,670,877	8,793,804
Interest receivable and similar income		14,380,997	9,232,083
Interest payable and similar charges	5	(21,243,894)	(15,438,327)
Profit on ordinary activities before taxation		5,807,980	2,587,560
Tax charge on profit on ordinary activities	6	(2,152,000)	(167,000)
Profit for the financial year	15	3,655,980	2,420,560

There is no material difference between the results as disclosed in the profit and loss account and the results on an unmodified historical cost basis

The profit for the year includes all recognised gains and losses for the year, therefore no separate statement of total recognised gains and losses has been presented. The movement in shareholders' funds is set out in note 16

Creation Financial Services Limited

Balance sheet as at 31 December 2007

	Notes	2007 £	2006 £
Fixed assets			
Intangible assets	7	824,879	516,438
Tangible assets	8	6,930,551	4,475,733
Investments	9	33,001,836	33,001,836
		40,757,266	37,994,007
Current assets			
Debtors amounts falling due within one year	10	397,955,729	376,736,619
Debtors amounts falling due after more than one year	10	2,083,316	17,878,149
Cash at bank and in hand		3,273,327	1,319,499
		403,312,372	395,934,267
Creditors amounts falling due within one year	11	(300,493,772)	(298,008,388)
Net current assets		102,818,600	97,925,879
Total assets less current liabilities		143,575,866	135,919,886
Creditors amounts falling due after more than one year	12	(95,500,000)	(91,500,000)
Net assets		48,075,866	44,419,886
Capital and reserves			
Called up share capital	14	10,000,100	10,000,100
Profit and loss account	15	38,075,766	34,419,786
Total shareholders' funds	16	48,075,866	44,419,886

The financial statements on pages 7 to 21 were approved by the board of directors on 23 April 2008 and were signed on its behalf by


J-P Charles
Director

Creation Financial Services Limited

Notes to the financial statements for the year ended 31 December 2007

1 Principal accounting policies

Basis of accounts

These financial statements are prepared on a going concern basis, under the historical cost convention and in accordance with the Companies Act 1985 and applicable accounting standards in the United Kingdom. The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

The accounts contain information about Creation Financial Services Limited as an individual company and do not contain consolidated financial information as the parent of a group. The Company is exempt under section 228 of the Companies Act 1985 from the requirement to prepare consolidated accounts as it and its subsidiary undertakings are included by full consolidation in the consolidated accounts of its ultimate parent, LaSer Cofinoga SA, a company incorporated in France.

Turnover

Turnover represents commissions earned from the merchants based on a percentage of the cardholder spend and servicing charges applied to cardholder accounts. Servicing and collection charges are applied to the cardholders' accounts, unless recoverability of the balance is doubtful, and recognised in the period to which they relate. All turnover is derived from operations in the United Kingdom.

Fixed assets and depreciation

All tangible fixed assets are depreciated at the following annual rates:

Fixtures & fittings 10% - 33%

Assets are depreciated on a straight-line basis over their useful lives. Assets in course of construction represents computer and other equipment where the asset is being developed in house. These assets are not depreciated until they are fully commissioned and brought into use.

Intangible assets

Payments to secure contracts are capitalised as intangible assets and amortised over the life of the contract, which do not exceed 20 years.

Payments to acquire licences are capitalised as intangible assets and amortised to match the benefits associated with the licence over a period not exceeding 20 years.

Payments made to acquire debt portfolios in excess of the fair value of the debt are capitalised and amortised over the estimated life of the portfolio.

Impairment of assets

Impairment reviews are undertaken if events or changes in circumstances indicate that the carrying value of tangible, intangible fixed assets and investments may not be recoverable. Individual assets are grouped for impairment assessment purposes at the lowest level at which there are identifiable cash flows. Impairment is assessed by comparing the carrying value of the asset to the higher of net present value of future cash flows derived from the underlying assets or their recoverable amount.

Creation Financial Services Limited

Notes to the financial statements for the year ended 31 December 2007 (continued)

1 Principal accounting policies (continued)

Operating leases

Rentals payable under operating leases are dealt with on a straight line basis over the lease term

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements

Deferred tax is measured at the average rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing difference can be deducted

Pension costs

Pension costs charged to the profit and loss account reflect the contributions payable to the Company's defined contribution pension scheme

Bad debt provision

Provision is calculated on the basis of the rate of final loss established from statistical analysis of the debtor population for each product. These rates are then applied to all balances outstanding in order to calculate the provision for irrecoverable debts

Cash flow statement

The Company is a wholly owned subsidiary of LaSer Cofinoga SA and the cash flows of the Company are included in the consolidated group cash flow statement of LaSer Cofinoga SA. Consequently the Company is exempt under the terms of Financial Reporting Standard No. 1 (revised 1996) from publishing a cash flow statement

Creation Financial Services Limited

Notes to the financial statements for the year ended 31 December 2007 (continued)

2 Operating profit

	2007	2006
	£	£
Operating profit is stated after charging		
Amortisation of intangible fixed assets (see note 7)	225,183	198,612
Depreciation of tangible fixed assets (see note 8)	1,036,522	593,234
Exceptional administrative costs	-	1,543,346
Auditors' remuneration - as auditors	49,176	51,750
- audit of associates	18,644	19,696
- taxation services	24,117	135,721
- corporate finance	-	92,342
- other costs	470	-
Operating lease rentals		
- hire of plant and machinery	218,817	196,465
- other buildings	606,917	490,519

Exceptional administrative costs in 2006 relate to incidental costs incurred on the acquisition of Creation Consumer Finance Limited which do not satisfy the criteria for capitalisation

3 Directors' emoluments

The Directors emoluments for the year were as follows

	2007	2006
	£	£
Aggregate emoluments	434,688	374,497

Emoluments of the highest paid director are £229,755 (2006 £188,078)

Retirement benefits are accruing for 1 Director (2006 1) under the defined contribution scheme
Total value of the contribution paid into the defined contribution scheme was £16,500 (2006 £13,500)

Creation Financial Services Limited

Notes to the financial statements for the year ended 31 December 2007 (continued)

4 Employees

	2007	2006
	£	£
Summary of costs (including directors):		
Wages & salaries	5,695,842	5,876,509
Social security costs	651,668	609,921
Other pension costs (see note 20)	374,586	324,339
	6,722,096	6,810,769

Average number of employees (including directors)	2007	2006
Full time	127	124
Part time	18	18
	145	142

5 Interest payable and similar charges

	2007	2006
	£	£
Interest payable to group undertakings	21,243,894	15,438,327

Creation Financial Services Limited

Notes to the financial statements for the year ended 31 December 2007 (continued)

6 Tax charge on profit on ordinary activities

	2007	2006
	£	£
Current tax		
UK corporation tax on profits	-	173,000
Total current tax	-	173,000
Deferred tax		
Origination and reversal of timing differences	2,076,778	(6,000)
Impact of change in tax rate	75,222	-
Total deferred tax (note 13)	2,152,000	(6,000)
Tax on profit on ordinary activities	2,152,000	167,000

The tax assessed for the year is lower (2006 lower) than the standard rate of corporation tax in the UK (30%). The differences are explained below

	2007	2006
	£	£
Profit on ordinary activities before taxation	5,807,980	2,587,560
Profit on ordinary activities multiplied by average standard rate of UK corporation tax of 30% (2006 30%)	1,742,394	776,268
Effects of		
Expenses not deductible for tax purposes	21,784	180,246
Capital allowances in excess of depreciation	(175,446)	(4,823)
Timing differences in respect of losses	(1,772,276)	-
Other timing differences	(129,056)	(1,177)
Group relief surrendered / (claimed)	312,600	(777,514)
Current tax charge for the year	-	173,000

The standard rate of Corporation Tax in the UK changes to 28% with effect from the 1 April 2008

Creation Financial Services Limited

Notes to the financial statements for the year ended 31 December 2007 (continued)

7 Intangible fixed assets

	Premium on acquisition of debt portfolio	Licenses & similar intangible assets	Total
	£	£	£
Cost			
At 1 January 2007	-	1,493,069	1,493,069
Additions (see note 17)	533,624	-	533,624
At 31 December 2007	533,624	1,493,069	2,026,693
Amortisation			
At 1 January 2007	-	976,631	976,631
Charge for the year	108,769	116,414	225,183
At 31 December 2007	108,769	1,093,045	1,201,814
Net book amount			
At 31 December 2007	424,855	400,024	824,879
At 31 December 2006	-	516,438	516,438

The premium on acquisition is amortised in line with the diminution in the portfolio as the debt book is repaid, hence amortisation is matched to the contribution earned in the year

Creation Financial Services Limited

Notes to the financial statements for the year ended 31 December 2007 (continued)

8 Tangible fixed assets

	Fixtures & fittings	Assets in course of construction	Total
	£	£	£
Cost			
At 1 January 2007	4,708,685	2,744,364	7,453,049
Additions	370,848	3,120,492	3,491,340
Transfers	4,286,583	(4,286,583)	-
At 31 December 2007	9,366,116	1,578,273	10,944,389
Accumulated depreciation			
At 1 January 2007	2,977,316	-	2,977,316
Charge for the year	1,036,522	-	1,036,522
At 31 December 2007	4,013,838	-	4,013,838
Net book amount			
At 31 December 2007	5,352,278	1,578,273	6,930,551
At 31 December 2006	1,731,369	2,744,364	4,475,733

Creation Financial Services Limited

Notes to the financial statements for the year ended 31 December 2007 (continued)

9 Investments

	2007	2006
	£	£
Alders Financial Services Limited	1	1
Creation Consumer Finance Limited	31,293,735	31,293,735
Creation Insurance Services Limited	1,708,000	1,708,000
West Midlands Debt Collections Limited	100	100
	33,001,836	33,001,836

The Company holds the whole of the authorised and issued ordinary share capital of Alders Financial Services Limited, a company incorporated in the United Kingdom. The principal activity of the company is the administration of the Alders and similar contracts, however during the year all trading has been transferred to the Company (see note 17)

The Company holds the whole of the authorised and issues ordinary share capital of Creation Consumer Finance Limited, a company incorporated in the United Kingdom. The principal activity of the company is the provision of point of sale credit facilities for retail clients

The Company holds the whole of the authorized and issued ordinary share capital of Creation Insurance Services Limited, a company incorporated in the Republic of Ireland. The principal activity was an insurance company for consumer payment protection plan insurance policies. The company ceased writing new business on 30 June 2004

The Company holds the whole of the authorised and issued ordinary share capital of West Midlands Debt Collections Limited, a company incorporated in the United Kingdom, which did not trade during the year

Creation Financial Services Limited

Notes to the financial statements for the year ended 31 December 2007 (continued)

10 Debtors

	2007	2006
	£	£
Amounts falling due within one year		
Trade debtors	127,996,700	134,781,418
Amounts owed by fellow group companies	1,127	48,985
Amounts owed by subsidiary undertakings	267,193,231	239,392,114
Corporation tax debtor	380,592	330,592
Other debtors	1,472,531	1,239,282
Prepayments	659,404	371,768
Deferred tax asset (see note 13)	252,144	572,460
	397,955,729	376,736,619
Amounts falling due after more than one year		
Deferred tax asset (see note 13)	2,083,316	-
Amounts owed by subsidiary undertakings	-	17,878,149
	2,083,316	17,878,149

Creation Financial Services Limited

Notes to the financial statements for the year ended 31 December 2007 (continued)

11 Creditors: amounts falling due within one year

	2007	2006
	£	£
Trade creditors	1,391,715	3,981,253
Amounts owed to group undertakings	291,704,986	284,007,110
Other creditors	8,536	-
Other taxation and social security	258,008	170,835
Accruals	7,130,527	9,849,190
	300,493,772	298,008,388

Funding for Creation Financial Services Limited is provided by LaSer Cofinoga S A on a revolving basis. The funding facility is secured with LaSer Cofinoga S A which is reviewed on a regular basis.

Interest is charged at one month LIBOR rate plus 13bps. The rate ruling as at 31 December 2007 was 5.84%.

12 Creditors: amounts falling due after more than one year

	2007	2006
	£	£
Amounts owed to group undertakings (see note 11)	95,500,000	91,500,000

Creation Financial Services Limited

Notes to the financial statements for the year ended 31 December 2007 (continued)

13 Deferred taxation

	2007	2006
	£	£
Capital allowances	(136,712)	28,968
Tax losses	2,083,316	-
Other short term timing differences	388,856	543,492
	2,335,460	572,460

Tax losses carried forward estimated at £7,440,413 at 31 December 2007, are available to offset against future profits of the same trade. Full recognition of the deferred tax asset relating to these losses is made, as the directors believe these timing differences will crystallise in the foreseeable future. In addition, tax losses of £2,815,000 have not been recognised as recoverability is uncertain.

The movement on the deferred tax account was as follows

	£
Balance at 1 January 2007	572,460
Transferred in from Alders Financial Services Limited (see note 17)	3,915,000
Movement in respect of current year (see note 6)	(2,152,000)
Balance at 31 December 2007	2,335,460

14 Called up share capital

	2007	2006
	£	£
Ordinary shares of £1 each		
Authorised, issued and fully paid	10,000,100	10,000,100

15 Profit and loss account

	£
At 1 January 2007	34,419,786
Profit for the year	3,655,980
At 31 December 2007	38,075,766

Creation Financial Services Limited

Notes to the financial statements for the year ended 31 December 2007 (continued)

16 Reconciliation of movements in total shareholders' funds

	2007	2006
	£	£
Profit for the year	3,655,980	2,420,560
Opening total shareholders' funds	44,419,886	41,999,326
Closing total shareholders' funds	48,075,866	44,419,886

17 Acquisitions

On 31 August 2007, the company acquired the trade and assets of Allders Financial Services Limited, its wholly owned subsidiary. All assets and liabilities were transferred at book value which was also considered to be their fair value.

	£
Intangible fixed assets	533,624
Trade receivables	10,544,751
Deferred tax asset	3,915,000
Net assets acquired	14,993,375
Satisfied by reduction in intercompany receivable balances	14,993,375

-

In addition, £11,821,551 of inter company debt (fully provided in prior years) was waived by the Company at the date of transfer.

In the last financial year to 31 December 2006, Allders Financial Services Limited made a loss after tax of £85,870. For the period since that date to the date of acquisition, Allders Financial Services Limited reported

	£
Turnover	2,436,784
Operating profit	1,452,148
Profit before tax	269,005
Taxation	-
Total recognised gain for the period	269,005

Creation Financial Services Limited

Notes to the financial statements for the year ended 31 December 2007 (continued)

18 Capital commitments

There were no capital commitments at the balance sheet date (2006 £nil)

19 Operating lease commitments

Commitments to make annual payments under non-cancellable operating leases are as follows

	2007		2006	
	Land & buildings	Other	Land & buildings	Other
	£	£	£	£
Operating leases which expire				
Within 2 to 5 years	606,917	218,817	601,367	196,465
	606,917	218,817	601,367	196,465

20 Pension costs

The Company is a member of a defined contribution scheme, the assets of which are held in trustee administered funds. The scheme is open to certain employees of the LaSer Cofinoga group of companies and further particulars are set out in the Annual Report of that Company.

The total pension cost for the Company was £374,587 (2006 £324,339)

21 Parent undertaking and controlling party

The immediate parent company and controlling party is LaSer Cofinoga SA, a company incorporated in France. The Ultimate parent and controlling parties are BNP Paribas SA and Galeries Lafayette Group SA, who each own 50% of the LaSer Group. Copies of the annual report are available from the registered offices of Creation Financial Services Limited.

22 Related party disclosures

The Company has taken advantage of the relief available under FRS 8, Related Party Disclosures, not requiring subsidiary undertakings whose voting rights are 90 per cent or more controlled within the group to disclose transactions with entities that are fellow group companies or investees of the group qualifying as related parties.

23 Post balance sheet event

On 10 January 2008, LaSer Cofinoga SA subscribed for £49,702,540 of additional share capital in Creation Financial Services. This was made up of the same number of £1 ordinary shares.