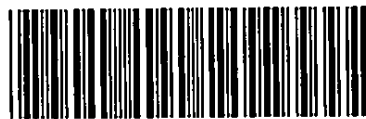


REGISTERED NUMBER: 01788577

IN PRACTICE SYSTEMS LIMITED
DIRECTORS' REPORT AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008

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IN PRACTICE SYSTEMS LIMITED

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IN PRACTICE SYSTEMS LIMITED

COMPANY INFORMATION

DIRECTORS:

Mr M R Brighton
Mr P L M Marucchi

SECRETARY:

Mrs S Heap

REGISTERED OFFICE:

The Bread Factory
1A Broughton Street
London
SW8 3QJ

REGISTERED NUMBER:

01788577

AUDITORS:

Mazars LLP
Chartered Accountants and
Registered Auditors
Tower Bridge House
St Katharine's Way
London
E1W 1DD

BANKERS :

Bank of Scotland
38 Threadneedle Street
London
EX2P 2EH

IN PRACTICE SYSTEMS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2008

The directors present their report with the financial statements of the company for the year ended 31 December 2008.

PRINCIPAL ACTIVITY

The principal activity of the company continued to be developing, selling, servicing and supporting computer systems for the health sector.

REVIEW OF BUSINESS AND FUTURE PROSPECTS

INPS provides clinical, practice and patient management systems, known as Vision, to General Practitioners in the United Kingdom. This is a highly regulated NHS-controlled market with relatively few suppliers and a well-defined target audience of just over 10,000 GP practices. The following factors are therefore key to the company's development:

- maintain the accreditation status of its products
- grow market share in the UK
- develop products and services that meet the changing nature of the NHS
- achieve these three primary drivers without compromising profit growth

The main NHS body influencing our position in England is Connecting for Health (CFH), the agency with responsibility for driving through the information technology reform programme known as The National Programme for IT in the NHS. CFH is required to offer GPs a choice of system under the contract between GPs and the NHS. This programme is called GPSoC and INPS concluded negotiations with CFH in the latter half of 2007 and remained part of that programme throughout 2008 and into the foreseeable future.

CFH has introduced several national services into England and this includes three main development projects for INPS. Firstly Choose and Book which intends to give patients that need onward referral from GPs to hospitals, the opportunity to choose the most appropriate hospital and book an appointment during their consultation with their GP. Secondly GP to GP record transfer allows GPs to electronically import patient medical histories from other Practices when a patient moves between Practices. Lastly, an electronic prescriptions service (EPS) has been defined in stages that enable electronic verification and management of prescriptions issued from GP Practices. INPS has achieved accreditation status for Vision in all three of these areas and continues to make enhancements and additional functionality to those modules. INPS is also heavily committed to completing work on the Summary Care Record programme to enable summary patient data to be transmitted securely to the National Data Spine. The intention is to enable access to important patient data for clinicians operating outside of the confines of a GP practice, for example, in Out-of-Hours or Accident and Emergency care settings. The pilots were successful in several Primary Care Trusts in England and INPS continue to make service improvements to the software that enables this to be distributed throughout England.

Although these CFH projects are for England only, the other three home nations have similar modernisation programmes and INPS is working closely with the NHS in Scotland, Wales and Northern Ireland to ensure the smooth implementation of these programmes to the many Vision users in those territories. INPS continue to maintain accreditation status to the national requirements in Scotland and is also working closely with the authorities in Wales to bring some of the Welsh National healthcare IT improvements to fruition.

INPS's main product suite, Vision was used by approximately 2,300 GP practices in the United Kingdom at the end of 2008 which represented a market share of about 22%. This market share has continued to grow from a low-point of around 1,500 GP practices at the millennium. During 2008, INPS attracted 137 new GP practices to the Vision customer base whilst losing just 28 sites, these being a mixture of practice closures, mergers and transfers to other systems. These figures are similar to the previous year and include practice gains in all of the four home countries making up the United Kingdom.

INPS offers practices a choice of either running the Vision application locally on a practice-based file server or alternatively a managed service (hosted) running in a remote data centre. In 2008, INPS completed a more resilient hosting service operating from dual data centres which conforms to the CFH Hosting Standards which INPS has to adhere to. CFH awarded compliance status to INPS in August 2008 subject to finishing off a number of agreed outstanding issues which have to be completed in 2009. This makes INPS the first GP systems supplier to achieve this level of accreditation.

IN PRACTICE SYSTEMS LIMITED

DIRECTORS' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2008

INPS is developing a new version of the Vision software that operates in an internet browser and this is specifically aimed at the hosted market. The product is now known as Vision 360 and is being developed by a team of around 50 staff based at a wholly-owned subsidiary of INPS called INPS Enterprise Solutions Limited based in Dundee.

The Vision product is primarily aimed at GPs but there is an increasing requirement for wider access to data including the use of these systems by community-based workers. INPS intends to make the Vision product more attractive to workers in this area of Healthcare and the development of Vision 360 is a vital piece in that product strategy. The first releases of the Vision 360 product suite are due in 2009.

On the financial side, INPS generates turnover from the initial sales and deployment of Vision systems as well as the ongoing support and licensing of these systems. The company provides a complete solution for General Practitioners. This includes the provision of training and IT engineering services. In 2008 the company's turnover of £31.9 million was split between its main activities as follows:

Licensing and support – 55%
Applications software and hardware – 27%
Training and engineering services – 9%
Other – 9%

The company's Profit before tax continued to grow in 2008 to a new high-point of £5.4 million from the previous year's result of £4.9 million. This growth of 12% has been achieved through increasing customer numbers and offering a broader range of products whilst keeping costs under tight control.

To support this growth, the number of direct employees has grown by 10% on average to 265 but cost growth overall has been contained to just over 7% due to savings in other areas. The intellectual capital in the staff employed by INPS is its most important asset and the rate of staff turnover continues to be very low.

The company's profit for the financial year after a tax credit was £5.6 million (2007: £4.7 million) which has been transferred to reserves. The directors do not recommend the payment of any dividends (2007: £Nil).

DIRECTORS

The directors of the company at the date of their report and any changes since January 2008 are set out on page 1.

DIRECTORS INDEMNITY

The directors confirm that no qualifying third party indemnity provision in favour of any of the directors of the company, as defined by s309c of the Companies Act 1985, either by the company or by any other party, was in force at the time of signing this report, and that no such provision has been in force at any time during the financial year.

PAYMENTS TO SUPPLIERS

The company agrees payment terms with its suppliers when it enters into binding purchase contracts. The company seeks to abide by the payment terms agreed with suppliers whenever it is satisfied that the supplier has provided the goods or services in accordance with the agreed terms and conditions. The company does not have a standard or code which deals specifically with the payments of suppliers. Creditor days for the company's external creditors have been calculated at 49 days (2007: 62 days).

IN PRACTICE SYSTEMS LIMITED

**DIRECTORS' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2008**

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

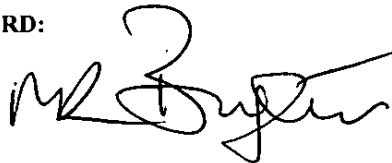
So far as the directors are aware, there is no relevant audit information (as defined by Section 234ZA of the Companies Act 1985) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Mazars LLP will be proposed for re-appointment in accordance with Section 487(2) of the Companies Act 2006.

ON BEHALF OF THE BOARD:

M R Brighton - Director

A handwritten signature in black ink, appearing to read 'M R Brighton', written over the printed name.

Date:

5 May 2009

IN PRACTICE SYSTEMS LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company as at end the end of the financial year 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 estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed;
- 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 proper accounting records which 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 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.

IN PRACTICE SYSTEMS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBER OF IN PRACTICE SYSTEMS LIMITED

We have audited the financial statements of In Practice Systems Limited for the year ended 31 December 2008 which comprise of the Profit and Loss Account, the Balance Sheet and related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's member, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's member those matters we are required to state to them in an auditors' 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 member as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, whether the financial statements are properly prepared in accordance with the Companies Act 1985 and whether the information given in the Directors' Report is consistent with the financial statements. We also 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 transactions with the company is not disclosed. We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatement.

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 judgements 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.

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 2008 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.

Mazars LLP

Mazars LLP
Chartered Accountants
and Registered Auditors
Tower Bridge House, St Katharine's Way
London, E1W 1DD

Date: *5 May 2009*

IN PRACTICE SYSTEMS LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2008**

	Notes	2008 £'000	2007 £'000
TURNOVER	2	31,857	26,338
Cost of sales		<u>(10,412)</u>	<u>(6,649)</u>
GROSS PROFIT		21,445	19,689
Administrative expenses		<u>(16,630)</u>	<u>(15,511)</u>
OPERATING PROFIT	4	4,815	4,178
Interest receivable and similar income	5	<u>684</u>	<u>695</u>
		5,499	4,873
Interest payable and similar charges	6	<u>(50)</u>	<u>(14)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		5,449	4,859
Tax on profit on ordinary activities	7	<u>64</u>	<u>(178)</u>
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		<u>5,513</u>	<u>4,681</u>

CONTINUING OPERATIONS

All activities derive from continuing operations. There is no difference between the results as disclosed in the profit and loss account and the results on a historical cost basis.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current year or previous year.

IN PRACTICE SYSTEMS LIMITED

**BALANCE SHEET
AT 31 DECEMBER 2008**

	Notes	2008 £'000	2007 £'000
FIXED ASSETS			
Tangible assets	8	1,357	1,508
Investments	9	-	-
		<u>1,357</u>	<u>1,508</u>
CURRENT ASSETS			
Stocks	10	1,489	1,874
Debtors	11	33,510	26,252
Cash at bank and in hand		<u>726</u>	<u>1</u>
		35,725	28,127
CREDITORS			
Amounts falling due within one year	13	<u>(10,153)</u>	<u>(8,219)</u>
NET CURRENT ASSETS		<u>25,572</u>	<u>19,908</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>26,929</u>	<u>21,416</u>
CAPITAL AND RESERVES			
Called up share capital	16	14,000	14,000
Share premium	17	2,894	2,894
Profit and loss account	17	<u>10,035</u>	<u>4,522</u>
SHAREHOLDER'S FUNDS	18	<u>26,929</u>	<u>21,416</u>

The financial statements were approved by the Board of Directors on 5 May 2009 and were signed on its behalf by:

M R Brighton - Director



IN PRACTICE SYSTEMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008

1. ACCOUNTING POLICIES

Going concern

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

Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards. There were no material departures from these standards.

Exemptions applied

As the company is a wholly owned subsidiary of Cegedim SA, which publishes consolidated financial statements in which it is included, it is not required to prepare consolidated financial statements, disclose transactions with group undertakings or prepare a cash flow statement. These accounts present information about the company on an individual basis.

Turnover

Turnover represents sales to third parties excluding VAT and is recognised at the point of completion of a client site installation. Income on support and maintenance contracts is recognised on a straight line basis over the period of the contacts.

Pension costs

The company participates in a defined contribution scheme. The pension cost charge to the profit and loss account represents contributions payable by the company under the rules of the scheme.

Development costs

Research and development expenditure written off in the profit and loss account in the year in which it is incurred except development expenditure incurred on individual projects. Where the recoverability of this development expenditure can be foreseen with reasonable assurance it is capitalised and amortised in line with sales from the relevant projects.

Fixed assets

Depreciation is provided on a straight line basis so as to write down the assets to their residual values over their expected useful lives as follows:-

Leasehold Improvements	- the minimum period of the lease up to 25 years
Computer equipment	- 3 to 5 years
Office equipment	- 3 to 5 years

Stocks and work in progress

Stocks and work in progress (except for long term contracts balances) are stated at the lower of cost and net realisable value. Cost is calculated using the standard costs.

Long-term contracts are stated at net cost less foreseeable losses less any applicable payments on account. The amount recorded as turnover in respect of long-term contracts is ascertained by reference to the value of work carried out to date. Attributed profit is recognised as the difference between recorded turnover and related costs.

IN PRACTICE SYSTEMS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2008**

1. ACCOUNTING POLICIES (continued)

Deferred tax

Deferred tax is provided in respect of the tax effect of all timing differences that have originated but not reversed at the balance sheet date.

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

Deferred tax is measured on a non-discounted basis at the average tax 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 substantially enacted by the balance sheet date.

Foreign currencies

Transactions denominated in foreign currencies are recorded in sterling at the exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the year end are reported at the rates of exchange prevailing at the year end. Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is reported in the profit and loss account.

Financial leases

Assets held under finance leases, which are leases where substantially all the risks and rewards of ownership of the asset have passed to the company, are capitalised in the balance sheet and are depreciated over their useful lives. The capital elements of the future obligations under the leases are included as liabilities in the balance sheet.

The interest element of the rental obligations is charged in the profit and loss account over the periods of the leases and represents a constant proportion of the balance of capital repayments outstanding.

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term.

IN PRACTICE SYSTEMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2008

2. TURNOVER

Turnover is all derived from continuing activities and arose entirely within the United Kingdom.

3. STAFF COSTS

	2008 £'000	2007 £'000
Wages and salaries	9,159	8,045
Social security costs	959	866
Other pension costs	<u>305</u>	<u>305</u>
	<u>10,423</u>	<u>9,216</u>

The average monthly number of employees during the year was as follows:

	2008	2007
Sales and marketing	33	28
Training and support	125	115
Software and development	59	50
Administration and central services	<u>48</u>	<u>47</u>
	<u>265</u>	<u>240</u>

The company operates a defined contribution pension scheme open to all staff with more than 3 months service. Contributions, which for the year amounted to £305k (2007: £305k), are charged in the period to which they relate.

4. OPERATING PROFIT

The operating profit is stated after charging:

	2008 £'000	2007 £'000
Depreciation - owned assets	577	505
Depreciation - recharged to group companies	160	160
Auditors' remuneration	39	37
Operating lease rentals on assets other than plant and machinery	<u>328</u>	<u>313</u>

	2008 £'000	2007 £'000
Directors' emoluments	223	215
Directors' pension contributions to money purchase schemes	<u>15</u>	<u>15</u>

Highest paid director

Directors' emoluments	223	215
Directors' pension contributions to money purchase schemes	15	15

IN PRACTICE SYSTEMS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2008**

5. INTEREST RECEIVABLE AND SIMILAR INCOME

	2008 £'000	2007 £'000
Loans to group undertakings repayable on demand	585	582
Bank interest received on overnight deposits	99	86
Interest received on advance corporation tax payments	-	27
	<u>684</u>	<u>695</u>

6. INTEREST PAYABLE AND SIMILAR CHARGES

	2008 £'000	2007 £'000
Loans from other group undertakings repayable on demand	50	14
	<u>50</u>	<u>14</u>

IN PRACTICE SYSTEMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2008

7. TAXATION

Analysis of the tax (credit)/charge

The tax (credit)/charge on the profit on ordinary activities for the year was as follows:

	2008 £'000	2007 £'000
Current tax:		
UK corporation tax	-	1,259
Group relief available	-	(1,255)
Total current tax	-	4
Deferred tax	(64)	174
Tax on profit on ordinary activities	(64)	178

Factors affecting the tax (credit)/charge

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2008 £'000	2007 £'000
Profit on ordinary activities before tax	5,449	4,859
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 28.5% (2007 - 30%)	1,553	1,458
Effects of:		
Expenses not deductible for tax purposes	21	(70)
Group relief of losses received /a nil consideration	(1,611)	(1,255)
Capital allowances in excess of depreciation	37	(129)
Current tax (credit)/charge	-	4

Factors that may affect future tax charges

Based upon current capital investment plans, the company expects to continue to be able to claim capital allowances in excess of depreciation in future years.

IN PRACTICE SYSTEMS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2008**

8. TANGIBLE FIXED ASSETS

	Short Leasehold Improvements £'000	Office and Computer Equipment £'000	Totals £'000
COST			
At 1st January 2008	1,267	2,936	4,203
Additions	<u>24</u>	<u>402</u>	<u>426</u>
At 31st December 2008	<u>1,291</u>	<u>3,338</u>	<u>4,629</u>
DEPRECIATION			
At 1st January 2008	420	2,275	2,695
Charge for year	<u>184</u>	<u>393</u>	<u>577</u>
At 31st December 2008	<u>604</u>	<u>2,668</u>	<u>3,272</u>
NET BOOK VALUE			
At 31st December 2008	<u>687</u>	<u>670</u>	<u>1,357</u>
At 31st December 2007	<u>847</u>	<u>661</u>	<u>1,508</u>

9. FIXED ASSET INVESTMENTS

	2008 £'000	2007 £'000
Cost at 1 January	762	762
Impairment of investment	<u>(762)</u>	<u>(762)</u>
	<u>-</u>	<u>-</u>

The investment represents a 100% interest in the issued share capital of InPS Enterprise Solutions Limited (formerly Saragon Limited), a company registered in Scotland. The aggregate capital and reserves and results for the year of the subsidiary undertaking is as shown in that company's financial statements.

10. STOCKS

	2008 £'000	2007 £'000
Work-in-progress	1,018	1,745
Finished goods	<u>471</u>	<u>129</u>
	<u>1,489</u>	<u>1,874</u>

Stocks are comprised mainly of computer equipment and software held for resale. In the opinion of the directors, the replacement cost of stocks is not materially different from the book value. The work in progress balance represents the costs of hardware and software incurred in relation to a one-off project that it is scheduled to be completed in February 2009.

IN PRACTICE SYSTEMS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2008**

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2008 £'000	2007 £'000
Trade debtors	3,648	3,114
Amounts owed by parent undertakings	-	37
Amounts owed by other group undertakings	28,378	21,725
Corporation tax receivable	300	-
Other debtors	106	96
Deferred tax asset (see note 12)	473	409
Prepayments and accrued income	605	871
	<u>33,510</u>	<u>26,252</u>

12. DEFERRED TAX ASSET

	2008 £'000	2007 £'000
Accelerated capital allowances	447	387
Other timing differences	<u>26</u>	<u>22</u>
	<u>473</u>	<u>409</u>
Asset at the start of the year	409	583
Deferred tax charge/(credit) in profit and loss account for the year	<u>64</u>	<u>(174)</u>
Asset at the end of the year	<u>473</u>	<u>409</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2008 £'000	2007 £'000
Bank loans and overdrafts (see note 14)	-	888
Finance leases (see note 15)	-	726
Trade creditors	2,199	1,144
Amounts owed to other group undertakings	1,150	-
Corporation tax	-	4
Social security and other taxes	1,385	717
Accruals and deferred income	1,185	1,158
Advance billings and deposits	<u>4,234</u>	<u>3,582</u>
	<u>10,153</u>	<u>8,219</u>

IN PRACTICE SYSTEMS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2008**

14. LOANS

An analysis of the maturity of loans is given below:

	2008 £'000	2007 £'000
Amounts falling due within one year or on demand:		
Bank overdrafts	<u>-</u>	<u>888</u>

15. OBLIGATIONS UNDER LEASING AGREEMENTS

	2008 £'000	2007 £'000
Net obligations repayable:		
Within one year	<u>-</u>	<u>726</u>

The following operating lease payments are committed to be paid within one year:

	2008 £'000	2007 £'000
Expiring:		
Within one year	129	-
Within two to five years	-	129
In more than five years	<u>660</u>	<u>660</u>
	<u>789</u>	<u>789</u>

The annual commitment value, after five years (£660k), includes an operating lease of £430k per annum, that is utilised by group subsidiaries. The cost is recouped through inter-company recharges.

IN PRACTICE SYSTEMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2008

16. CALLED UP SHARE CAPITAL

Authorised, allotted, issued and fully paid:		Nominal value:	2008	2007
Number:	Class:		£'000	£'000
14,000,000	Ordinary	£1	<u>14,000</u>	<u>14,000</u>

17. RESERVES

	Profit and loss account £'000	Share premium £'000	Totals £'000
At 1st January 2008	4,522	2,894	7,416
Profit for the year	5,513	-	5,513
At 31st December 2008	<u>10,035</u>	<u>2,894</u>	<u>12,929</u>

18. RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS

	2008 £'000	2007 £'000
Profit for the financial year	<u>5,513</u>	<u>4,681</u>
Opening shareholder's funds	<u>21,416</u>	<u>16,735</u>
Closing shareholder's funds	<u>26,929</u>	<u>21,416</u>

19. PARENT COMPANY

The company's immediate and ultimate parent company and the parent company if the smallest and largest group to include the company in its consolidated financial statements is Cegedim SA, a company registered in France and listed on the Paris stock exchange.

Financial statements of Cegedim SA are available from: 127-137 rue D' Aguesseau, B.P. 405, 92103 Boulogne-Billancourt.