

Registered number: 3072160

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**CHAMELEON INFORMATION MANAGEMENT SERVICES LIMITED**

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**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2009**



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**CHAMELEON INFORMATION MANAGEMENT SERVICES LIMITED**

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**COMPANY INFORMATION**

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**DIRECTORS**

Marc Warburton  
Sarah Waters  
David Huline-Dickens  
John Nye  
Phillip Brown  
David Little - Non Executive Director

**COMPANY NUMBER**

3072160

**REGISTERED OFFICE**

59-61 High Street  
Rickmansworth  
Hertfordshire  
WD3 1RH

**AUDITOR**

Hillier Hopkins LLP  
Chartered Accountants & Registered Auditor  
64 Clarendon Road  
Watford  
Hertfordshire  
WD17 1DA

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**CHAMELEON INFORMATION MANAGEMENT SERVICES LIMITED**

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## **CHAMELEON INFORMATION MANAGEMENT SERVICES LIMITED**

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### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2009**

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The directors present their report and the financial statements for the year ended 31 March 2009.

#### **PRINCIPAL ACTIVITIES**

The principal activities of the company are the marketing, distribution and implementation of the InfoFlex product principally within the National Health Service environment. The company utilises the InfoFlex product as the basis for all of its clinical and information systems. The company also provides training and consultancy services related to the use of the InfoFlex product.

The Directors' are pleased with the progress of the business for the year ended 31 March 2009. Year on year revenue growth of 29% is reported which is an improvement on the 16% growth achieved in the previous year.

The Company continued to expand its presence in the UK HealthCare market with InfoFlex systems now installed in 80 plus organisations, mainly NHS Trusts. Apart from incremental business with existing customers eight new NHS Trusts contracted with the Company for InfoFlex solutions during the year. Additionally numerous Trusts signed new long term contracts for the InfoFlex product.

#### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

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. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- 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 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.

#### **DIRECTORS**

The directors who served during the year were:

Marc Warburton  
Sarah Waters  
David Hufine-Dickens  
John Nye  
Phillip Brown  
David Little - Non Executive Director

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**CHAMELEON INFORMATION MANAGEMENT SERVICES LIMITED**

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**DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 MARCH 2009**

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**PROVISION OF INFORMATION TO AUDITOR**

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditor in connection with preparing its report and to establish that the company's auditor is aware of that information.

**AUDITOR**

The auditor, Hillier Hopkins LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

The report of the directors has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

This report was approved by the board on *16<sup>th</sup> July 2009* and signed on its behalf.



**Marc Warburton**  
Director

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## **CHAMELEON INFORMATION MANAGEMENT SERVICES LIMITED**

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### **INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF CHAMELEON INFORMATION MANAGEMENT SERVICES LIMITED**

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We have audited the financial statements of Chameleon Information Management Services Limited for the year ended 31 March 2009, set out on pages 5 to 14. These financial statements have been prepared under the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective January 2007).

This report is made solely to the company's members, 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 members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND 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).

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.

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CHAMELEON INFORMATION MANAGEMENT SERVICES LIMITED

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INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF CHAMELEON INFORMATION  
MANAGEMENT SERVICES LIMITED

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**OPINION**

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the company's affairs as at 31 March 2009 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.

*Hillier Hopkins LLP*

HILLIER HOPKINS LLP

Chartered Accountants  
Registered Auditor

64 Clarendon Road  
Watford  
Hertfordshire  
WD17 1DA

Date: 10 AUGUST 2009

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**CHAMELEON INFORMATION MANAGEMENT SERVICES LIMITED**

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**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 MARCH 2009**

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	Note	2009 £	2008 £
<b>TURNOVER</b>	1	<b>2,014,376</b>	<b>1,561,802</b>
Cost of sales		<u>(1,079,898)</u>	<u>(857,949)</u>
<b>GROSS PROFIT</b>		<b>934,478</b>	<b>703,853</b>
Administrative expenses		<u>(925,418)</u>	<u>(705,221)</u>
Other operating income	2	<u>100</u>	<u>150</u>
<b>OPERATING PROFIT/(LOSS)</b>	3	<b>9,160</b>	<b>(1,218)</b>
Interest receivable		<u>8,261</u>	<u>12,645</u>
Interest payable		<u>(3,789)</u>	<u>(4,275)</u>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>13,632</b>	<b>7,152</b>
Tax on profit on ordinary activities	6	<u>(3,635)</u>	<u>(1,111)</u>
<b>PROFIT FOR THE FINANCIAL YEAR</b>	13	<u><b>9,997</b></u>	<u><b>6,041</b></u>

The notes on pages 8 to 14 form part of these financial statements.



**CHAMELEON INFORMATION MANAGEMENT SERVICES LIMITED**

**BALANCE SHEET  
AS AT 31 MARCH 2009**

	Note	£	2009 £	£	2008 £
<b>FIXED ASSETS</b>					
Tangible fixed assets	7		198,492		123,426
<b>CURRENT ASSETS</b>					
Debtors	8	586,431		259,076	
Cash at bank and in hand		221,666		294,191	
		<u>808,097</u>		<u>553,267</u>	
<b>CREDITORS:</b> amounts falling due within one year	9	(772,013)		(514,499)	
<b>NET CURRENT ASSETS</b>			36,084		38,768
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			234,576		162,194
<b>CREDITORS:</b> amounts falling due after more than one year	10	(58,750)		-	
<b>PROVISIONS FOR LIABILITIES</b>					
Deferred tax	11	(7,852)		(4,217)	
<b>NET ASSETS</b>			<u>167,974</u>		<u>157,977</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	12	6,850		6,850	
Share premium account	13	118,219		118,219	
Profit and loss account	13	42,905		32,908	
<b>SHAREHOLDERS' FUNDS</b>			<u>167,974</u>		<u>157,977</u>

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007).

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 16TH JULY 2009



**Marc Warburton**  
Director



**Sarah Waters**  
Director

The notes on pages 8 to 14 form part of these financial statements.

**CHAMELEON INFORMATION MANAGEMENT SERVICES LIMITED**

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2009**

	£	2009 £	£	2008 £
<b>CASH GENERATED FROM OPERATIONS</b>				
<b>OPERATING PROFIT/(LOSS)</b>	<b>9,160</b>		<b>(1,218)</b>	
Depreciation of tangible fixed assets	52,327		41,141	
Loss on disposal of tangible fixed assets	1,700		-	
Increase in trade debtors	(135,744)		(1,233)	
Increase in other debtors	(191,612)		(34,789)	
Increase in trade creditors	9,040		33,695	
Increase in other creditors	256,349		152,558	
		<b>1,220</b>		<b>190,154</b>
<b>CASH FROM OTHER SOURCES</b>				
Interest received	8,261		12,645	
Sale of tangible fixed assets	16,505		-	
		<b>24,766</b>		<b>12,645</b>
<b>APPLICATION OF CASH</b>				
Interest paid	-		(1,326)	
Hire purchase interest	(3,789)		(2,949)	
Tax paid	(1,111)		(3,568)	
Repayment of loans	-		(25,863)	
Principal payment under finance lease	51,987		(10,150)	
Purchase of tangible fixed assets	(145,598)		(53,350)	
		<b>(98,511)</b>		<b>(97,206)</b>
<b>NET INCREASE IN CASH</b>		<b>(72,525)</b>		<b>105,593</b>
Cash at bank and in hand less overdrafts at beginning of the year		<b>294,191</b>		<b>188,598</b>
<b>CASH AT BANK AND IN HAND LESS OVERDRAFTS AT END OF THE YEAR</b>		<b>221,666</b>		<b>294,191</b>
Consisting of:				
Cash at bank and in hand		<b>221,666</b>		<b>294,191</b>
		<b>221,666</b>		<b>294,191</b>

The notes on pages 8 to 14 form part of these financial statements.

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## CHAMELEON INFORMATION MANAGEMENT SERVICES LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2009

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#### 1. ACCOUNTING POLICIES

##### 1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007).

##### 1.2 TURNOVER

Turnover comprises revenue recognised by the company in respect of goods and services supplied, exclusive of Value Added Tax and trade discounts.

##### 1.3 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

S/Term Leasehold Property	-	25%	reducing balance
Motor vehicles	-	25%	reducing balance
Fixtures & fittings	-	25%	reducing balance

##### 1.4 LEASING AND HIRE PURCHASE

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

##### 1.5 OPERATING LEASES

Rentals under operating leases are charged on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

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**CHAMELEON INFORMATION MANAGEMENT SERVICES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2009**

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**1. ACCOUNTING POLICIES (continued)**

**1.6 DEFERRED TAXATION**

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if 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 differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

**1.7 LONG-TERM CONTRACTS**

Profit on long-term contracts is taken as the work is carried out if the final outcome can be assessed with reasonable certainty. The profit included is calculated on a prudent basis to reflect the proportion of the work carried out at the year end, by recording turnover and related costs as contract activity progresses. Turnover is calculated as that proportion of total contract value which costs incurred to date bear to total expected costs for that contract. Revenues derived from variations on contracts are recognised only when they have been accepted by the customer. Full provision is made for losses on all contracts in the year in which they are first foreseen.

**1.8 PENSIONS**

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

**2. OTHER OPERATING INCOME**

	2009 £	2008 £
Other operating income	<u>100</u>	<u>150</u>

**3. OPERATING PROFIT/(LOSS)**

The operating profit/(loss) is stated after charging:

	2009 £	2008 £
Depreciation of tangible fixed assets:		
- owned by the company	41,938	33,580
- held under finance leases	10,389	7,561
Auditors' remuneration	5,900	8,200
Pension costs	<u>16,935</u>	<u>16,268</u>

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CHAMELEON INFORMATION MANAGEMENT SERVICES LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2009

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4. DIRECTORS' REMUNERATION

	2009 £	2008 £
Aggregate emoluments	<u>430,467</u>	<u>298,998</u>

During the year retirement benefits were accruing to 2 directors (2008 - 2) in respect of money purchase pension schemes.

5. SHARE BASED PAYMENTS

The company operates an Enterprise Management Incentive Scheme. Options over 761 ordinary shares to 1 employee of the company have been granted with a grant date of 8 September 2005. The options are undated and become exercisable upon certain trigger events at an exercise price of £6.80 per share.

6. TAXATION

	2009 £	2008 £
<b>ANALYSIS OF TAX CHARGE IN THE YEAR</b>		
<b>CURRENT TAX</b> (see note below)		
Adjustments in respect of prior periods	-	1,111
	<u>-</u>	<u>1,111</u>
<b>DEFERRED TAX</b> (see note 11)		
Origination and reversal of timing differences	3,635	-
	<u>3,635</u>	<u>-</u>
<b>TAX ON PROFIT ON ORDINARY ACTIVITIES</b>	<u>3,635</u>	<u>1,111</u>

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**CHAMELEON INFORMATION MANAGEMENT SERVICES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2009**

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**7. TANGIBLE FIXED ASSETS**

	Land and buildings £	Motor vehicles £	Furniture, fittings and equipment £	Total £
<b>COST</b>				
At 1 April 2008	21,016	60,750	282,279	364,045
Additions	-	78,588	67,010	145,598
Disposals	-	(60,750)	-	(60,750)
At 31 March 2009	<u>21,016</u>	<u>78,588</u>	<u>349,289</u>	<u>448,893</u>
<b>DEPRECIATION</b>				
At 1 April 2008	14,367	38,067	188,185	240,619
Charge for the year	1,662	10,389	40,276	52,327
On disposals	-	(42,545)	-	(42,545)
At 31 March 2009	<u>16,029</u>	<u>5,911</u>	<u>228,461</u>	<u>250,401</u>
<b>NET BOOK VALUE</b>				
At 31 March 2009	<u>4,987</u>	<u>72,677</u>	<u>120,828</u>	<u>198,492</u>
At 31 March 2008	<u>6,649</u>	<u>22,683</u>	<u>94,094</u>	<u>123,426</u>

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2009 £	2008 £
Motor vehicles	<u>72,677</u>	<u>22,683</u>

**8. DEBTORS**

	2009 £	2008 £
Trade debtors	351,711	215,967
Other debtors	234,720	43,109
	<u>586,431</u>	<u>259,076</u>

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**CHAMELEON INFORMATION MANAGEMENT SERVICES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2009**

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**9. CREDITORS:  
AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2009 £	2008 £
Net obligations under finance leases and hire purchase contracts	12,919	19,682
Trade creditors	60,697	51,657
Corporation tax	-	1,111
Social security and other taxes	145,014	133,210
Deferred revenue	323,114	224,513
Other creditors	230,269	84,326
	<u>772,013</u>	<u>514,499</u>

**10. CREDITORS:  
AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2009 £	2008 £
Net obligations under finance leases and hire purchase contracts	<u>58,750</u>	<u>-</u>

The finance lease and hire purchase liabilities are secured on the assets concerned.

**11. DEFERRED TAXATION**

	2009 £	2008 £
At beginning of year	4,217	4,217
Charge for year	3,635	-
At end of year	<u>7,852</u>	<u>4,217</u>

The provision for deferred taxation is made up as follows:

	2009 £	2008 £
Accelerated capital allowances	<u>7,852</u>	<u>4,217</u>

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CHAMELEON INFORMATION MANAGEMENT SERVICES LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2009

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12. SHARE CAPITAL

	2009 £	2008 £
<b>AUTHORISED</b>		
10,000 Ordinary shares of £1 each	10,000	10,000
	<hr/>	<hr/>
<b>ALLOTTED, CALLED UP AND FULLY PAID</b>		
6,850 Ordinary shares of £1 each	6,850	6,850
	<hr/>	<hr/>

13. RESERVES

	Share premium account £	Profit and loss account £
At 1 April 2008	118,219	32,908
Profit for the year		9,997
	<hr/>	<hr/>
At 31 March 2009	118,219	42,905
	<hr/>	<hr/>

14. PENSION COMMITMENTS

The pension cost charge represents contributions payable by the company to the fund and amounted to £16,935 (2008 - £18,668). This has been paid into both the company's defined contribution scheme and into personal pension schemes.

15. OPERATING LEASE COMMITMENTS

At 31 March 2009 the company had annual commitments under non-cancellable operating leases as follows:

	2009 £	2008 £
<b>EXPIRY DATE:</b>		
Between 2 and 5 years	42,912	42,912
	<hr/>	<hr/>

16. RELATED PARTY TRANSACTIONS

During the year company paid £390,000 (2008 - £270,000) to Flex Software Limited in licence fees, a company related due to common directorship. The company charged Flex Software Limited £90,000 (2008 - £86,250) for software consultancy services. The balance due to Flex Software Limited at the year end amounted to £56,489 (2008: £10,949).



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**CHAMELEON INFORMATION MANAGEMENT SERVICES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2009**

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**17. CONTROLLING PARTY**

In the opinion of the directors, there is no ultimate controlling party.