

Company Registration No. 07200452 (England and Wales)

**OPTIMAX CLINICS LIMITED (FORMERLY OPTIMAX CLINICS
UNLIMITED)**

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2013

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OPTIMAX CLINICS LIMITED (FORMERLY OPTIMAX CLINICS UNLIMITED)

COMPANY INFORMATION

Directors

R K Ambrose
S J Ambrose
J H Rabone
L C Ambrose
D A Ambrose

Company number

07200452

Registered office

96 Bristol Road
Edgbaston
Birmingham
B5 7XJ

Auditors

Arram Berlyn Gardner LLP
30 City Road
London
EC1Y 2AB

OPTIMAX CLINICS LIMITED (FORMERLY OPTIMAX CLINICS UNLIMITED)

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OPTIMAX CLINICS LIMITED (FORMERLY OPTIMAX CLINICS UNLIMITED)

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2013

The directors present their report and financial statements for the year ended 31 December 2013.

Review of the business

The market for Inter Ocular Lenses and Cataract procedures both continue to grow again year on year. The directors continue to control the costs very carefully.

2013 proved to be very challenging as the investigation by The Office of Fair Trading which was then passed onto the Competition Commission proved to be incredibly expensive and time consuming as the directors and senior management had to devote 9 months to the company's successful defence.

The company has continued its investment plans and has continued its investment in new lasers.

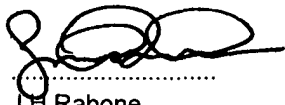
Principal risks and uncertainties

The directors have identified specific areas of future growth which are being vigorously pursued. The footprint of the clinic locations is constantly reviewed and a 5 year controlled expansion is underway.

Key performance indicators

The key financial highlights are as follows:

	2013	2012
	£	£
Turnover	19,507,258	19,888,238
Gross Profit	51.00%	58.00%
Operating Loss	(748,340)	(2,913,036)
Loss before tax	(2,518,340)	(3,643,833)



J.H. Rabone

Director

17 December 2014

OPTIMAX CLINICS LIMITED (FORMERLY OPTIMAX CLINICS UNLIMITED)

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2013

The directors present their report and financial statements for the year ended 31 December 2013.

Principal activities and review of the business

The principal activities of the company are the provision of laser eye surgical and IOL/cataract treatments.

The company changed its name from Optimax Clinics Unlimited to Optimax Clinics Limited on 23 July 2013.

Results

The results for the year are set out on page 5.

Financial instruments

The company's principal financial instruments comprise bank balances, trade creditors, trade debtors and loans to the company. The main purpose of these instruments is to raise funds for and finance the company's operations.

In respect of trade debtors the credit risk is managed through policies concerning the credit offered to customers and regular monitoring of amounts outstanding for both time and credit limits.

In respect of bank balances the liquidity risk is managed by maintaining a balance between the continuity of funding.

Trade creditors are managed in respect of liquidity risk by ensuring that sufficient funds are available to meet amounts when they fall due.

In respect of loans these represent interest free loans from a director who is aware of the company's financing requirements and has determined that these will only be repaid, in whole or in part, when finance is available, and also other loans which have been provided to finance the company's operations. The liquidity risk is managed by ensuring that sufficient funds are available to meet the agreed repayment dates.

Future developments

The company will continue to focus its growth into Inter Ocular Lens and Cataract Procedures whilst investing in new facilities to meet this demand.

Directors

The following directors have held office since 1 January 2013:

R K Ambrose

S J Ambrose

J H Rabone

L C Ambrose

D A Ambrose

J Ireland

(Resigned 27 March 2013)

B McManus

(Resigned 5 August 2013)

Auditors

On 1 July 2014 Arram Berlyn Gardner was incorporated as Arram Berlyn Gardner LLP. Arram Berlyn Gardner LLP are deemed to be appointed as auditors and will be proposed for reappointment at the forthcoming Annual General Meeting.

OPTIMAX CLINICS LIMITED (FORMERLY OPTIMAX CLINICS UNLIMITED)

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

Statement of directors' responsibilities

The directors are responsible for preparing the Strategic Report, Directors' 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). Under company law the directors must not approve the financial statements unless they are satisfied that they 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:

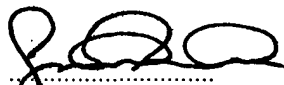
- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and 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 2006. 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 to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board



J H Rabone

Director

17 December 2014

OPTIMAX CLINICS LIMITED (FORMERLY OPTIMAX CLINICS UNLIMITED)

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF OPTIMAX CLINICS LIMITED (FORMERLY OPTIMAX CLINICS UNLIMITED)

We have audited the financial statements of Optimax Clinics Limited (formerly Optimax Clinics Unlimited) for the year ended 31 December 2013 set out on pages 6 to 19. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on pages 2 - 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2013 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

OPTIMAX CLINICS LIMITED (FORMERLY OPTIMAX CLINICS UNLIMITED)


INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF OPTIMAX CLINICS LIMITED (FORMERLY OPTIMAX CLINICS UNLIMITED)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Paul Berlyn (Senior Statutory Auditor)
for and on behalf of Arram Berlyn Gardner LLP



Chartered Accountants
Statutory Auditor

30 City Road
London
EC1Y 2AB

OPTIMAX CLINICS LIMITED (FORMERLY OPTIMAX CLINICS UNLIMITED)

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2013

	Notes	2013 £	2012 £
Turnover	2	19,507,258	19,888,238
Cost of sales		(9,586,895)	(8,354,779)
Gross profit		9,920,363	11,533,459
Administrative expenses		(10,668,703)	(14,446,495)
Operating loss	4	(748,340)	(2,913,036)
Amounts released from sum due from related undertaking	21	(777,343)	-
Loss on ordinary activities before interest		(1,525,683)	(2,913,036)
Other interest receivable and similar income	3	-	683
Interest payable and similar charges	5	(992,657)	(731,480)
Loss on ordinary activities before taxation		(2,518,340)	(3,643,833)
Tax on loss on ordinary activities	6	-	294,626
Loss for the year	15	(2,518,340)	(3,349,207)

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

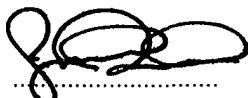
OPTIMAX CLINICS LIMITED (FORMERLY OPTIMAX CLINICS UNLIMITED)

BALANCE SHEET

AS AT 31 DECEMBER 2013

	Notes	2013 £	£	2012 £	£
Fixed assets					
Intangible assets	7	3,124,988		3,624,992	
Tangible assets	8	3,738,465		2,832,464	
		<u>6,863,453</u>		<u>6,457,456</u>	
Current assets					
Debtors	9	3,778,669		4,405,996	
Cash at bank and in hand		464,254		58,144	
		<u>4,242,923</u>		<u>4,464,140</u>	
Creditors: amounts falling due within one year	10	<u>(4,079,148)</u>		<u>(5,751,777)</u>	
Net current assets/(liabilities)			163,775		(1,287,637)
Total assets less current liabilities			<u>7,027,228</u>		<u>5,169,819</u>
Creditors: amounts falling due after more than one year	11		(9,371,799)		(5,500,000)
Provisions for liabilities	12		<u>(2,886,015)</u>		<u>(2,382,065)</u>
			<u>(5,230,586)</u>		<u>(2,712,246)</u>
Capital and reserves					
Called up share capital	14		1,000		1,000
Profit and loss account	15		<u>(5,231,586)</u>		<u>(2,713,246)</u>
Shareholders' funds	16		<u>(5,230,586)</u>		<u>(2,712,246)</u>

Approved by the Board and authorised for issue on17/12/2014



J H Rabone
Director

Company Registration No. 07200452

OPTIMAX CLINICS LIMITED (FORMERLY OPTIMAX CLINICS UNLIMITED)

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2013

	2013	2012
£	£	£
Net cash inflow from operating activities	222,345	2,010,165
Returns on investments and servicing of finance		
Interest received	-	683
Interest paid	(992,657)	(731,480)
Net cash outflow for returns on investments and servicing of finance	(992,657)	(730,797)
Taxation	-	57,315
Capital expenditure		
Payments to acquire tangible assets	(457,203)	(1,082,349)
Receipts from sales of tangible assets	38,251	24,045
Net cash outflow for capital expenditure	(418,952)	(1,058,304)
Net cash (outflow)/inflow/(outflow) before management of liquid resources and financing	(1,189,264)	278,379
Financing		
Other new long term loans	3,354,414	2,500,000
Other new short term loans	20,000	1,202,222
Repayment of other long term loans	(5,000)	(4,156,000)
Repayment of other short term loans	(1,202,222)	-
Capital element of hire purchase contracts	(571,818)	-
Net cash inflow/(outflow) from financing	1,595,374	(453,778)
Increase/(decrease) in cash in the year	406,110	(175,399)

OPTIMAX CLINICS LIMITED (FORMERLY OPTIMAX CLINICS UNLIMITED)

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2013

1 Reconciliation of operating loss to net cash outflow from operating activities		2013	2012
		£	£
Operating loss		(748,340)	(2,913,036)
Depreciation of tangible assets		1,025,284	678,118
Amortisation of intangible assets		500,004	500,004
Profit on disposal of tangible assets		(30,341)	(24,045)
Decrease in debtors		627,327	1,175,206
(Decrease)/Increase in creditors within one year		(878,196)	1,752,345
Other reserve movement		503,950	841,573
Amounts released from sum due from related undertaking		(777,343)	-
Net cash inflow from operating activities		222,345	2,010,165

2 Analysis of net debt	1 January 2013	Cash flow	Other non-cash changes	31 December 2013
	£	£	£	£
Net cash:				
Cash at bank and in hand	58,144	406,110	-	464,254
Debt:				
Finance leases	-	571,818	(1,481,992)	(910,174)
Debts falling due within one year	(1,202,222)	1,182,222	-	(20,000)
Debts falling due after one year	(5,500,000)	(3,349,414)	-	(8,849,414)
	(6,702,222)	(1,595,374)	(1,481,992)	(9,779,588)
Net debt	(6,644,078)	(1,189,264)	(1,481,992)	(9,315,334)

3 Reconciliation of net cash flow to movement in net debt	2013	2012
	£	£
Increase/(decrease) in cash in the year	406,110	(175,399)
Cash (inflow)/outflow from (increase)/decrease in debt and lease financing	(1,595,374)	453,778
Change in net debt resulting from cash flows	(1,189,264)	278,379
New finance leases	(1,481,992)	-
Movement in net debt in the year	(2,671,256)	278,379
Opening net debt	(6,644,078)	(6,922,457)
Closing net debt	(9,315,334)	(6,644,078)

OPTIMAX CLINICS LIMITED (FORMERLY OPTIMAX CLINICS UNLIMITED)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

The company incurred a net loss of £2,518,340 (2012: £3,349,207) in the year and at the balance sheet date, the company had net liabilities amounting to £5,230,586 (2012: £2,712,246). The financial statements have been prepared on the going concern basis on the grounds that the company directors will continue to provide ongoing support.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

1.3 Turnover

Turnover represents amounts receivable for medical services rendered net of trade discounts. Turnover is recognised at the time when the medical services are performed.

1.4 Goodwill

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life.

1.5 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 less estimated residual value of each asset over its expected useful life, as follows:

Plant and machinery	25% reducing balance or over life of lease
Fixtures, fittings & equipment	20% and 25% reducing balance
Motor vehicles	25% reducing balance

1.6 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. 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.

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

1.7 Pensions

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

OPTIMAX CLINICS LIMITED (FORMERLY OPTIMAX CLINICS UNLIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

3	Investment income	2013 £	2012 £
	Other interest	-	683
4	Operating loss	2013 £	2012 £
	Operating loss is stated after charging:		
	Amortisation of intangible assets	500,004	500,004
	Depreciation of tangible assets	1,025,284	678,118
	Exceptional administrative expenses	142,657	864,548
	Operating lease rentals	391,775	1,123,290
	Auditors' remuneration		
	Audit	17,000	18,000
	Accounting	6,000	6,000
	Other	3,166	3,902
	and after crediting:		
	Profit on disposal of tangible assets	(30,341)	(24,045)

Exceptional administrative expenses represent legal and professional fees incurred as a result of the enquiry by the Office of Fair Trading and the Competition Commission into the Ultralase acquisition.

5	Interest payable	2013 £	2012 £
	On bank loans and overdrafts	719	805
	Hire purchase interest	104,510	-
	Other interest	887,428	730,675
		992,657	731,480

OPTIMAX CLINICS LIMITED (FORMERLY OPTIMAX CLINICS UNLIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

6	Taxation	2013 £	2012 £
	Domestic current year tax		
	Adjustment for prior years	-	(294,626)
	Total current tax	-	(294,626)
	Factors affecting the tax charge for the year		
	Loss on ordinary activities before taxation	(2,518,340)	(3,643,833)
	Loss on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 23.25% (2012 - 24.50%)	(585,514)	(892,739)
	Effects of:		
	Non deductible expenses	298,882	159,157
	Depreciation add back	238,379	166,139
	Capital allowances	(254,179)	(179,440)
	Tax losses utilised	-	272,460
	Adjustment to previous periods	-	(294,626)
	Tax losses carried forward	309,488	480,314
	Other tax adjustments	(7,056)	(5,891)
		585,514	598,113
	Current tax charge for the year	-	(294,626)

The company has estimated losses of £ 3,291,593 (2012 - £ 1,960,465) available for carry forward against future trading profits.

Due to trading losses incurred in the current and prior years, there is no charge to corporation tax.

OPTIMAX CLINICS LIMITED (FORMERLY OPTIMAX CLINICS UNLIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

7 Intangible fixed assets

	Goodwill £
Cost	
At 1 January 2013 & at 31 December 2013	5,000,000
Amortisation	
At 1 January 2013	1,375,008
Charge for the year	500,004
At 31 December 2013	1,875,012
Net book value	
At 31 December 2013	3,124,988
At 31 December 2012	3,624,992

8 Tangible fixed assets

	Plant and machinery £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
Cost				
At 1 January 2013	4,373,556	860,991	10,806	5,245,353
Additions	1,875,773	63,422	-	1,939,195
Disposals	(299,750)	-	(10,806)	(310,556)
At 31 December 2013	5,949,579	924,413	-	6,873,992
Depreciation				
At 1 January 2013	1,900,435	505,305	7,149	2,412,889
On disposals	(294,583)	-	(8,063)	(302,646)
Charge for the year	914,534	109,836	914	1,025,284
At 31 December 2013	2,520,386	615,141	-	3,135,527
Net book value				
At 31 December 2013	3,429,193	309,272	-	3,738,465
At 31 December 2012	2,473,121	355,686	3,657	2,832,464

OPTIMAX CLINICS LIMITED (FORMERLY OPTIMAX CLINICS UNLIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

8 Tangible fixed assets

(Continued)

Included above are assets held under finance leases or hire purchase contracts as follows:

	Plant and machinery £
Net book values	
At 31 December 2013	1,284,160
Depreciation charge for the year	
At 31 December 2013	197,832

9 Debtors

	2013 £	2012 £
Trade debtors	2,473,480	2,918,264
Amounts owed by parent and fellow subsidiary undertakings	45,950	103,229
Other debtors	7,281	8,295
Prepayments and accrued income	1,251,958	1,376,208
	<u>3,778,669</u>	<u>4,405,996</u>

Included within trade debtors are amounts due from patients some of which do not fall due for payment until after more than 12 months.

10 Creditors: amounts falling due within one year

	2013 £	2012 £
Net obligations under hire purchase contracts	387,789	-
Trade creditors	2,439,018	2,906,075
Taxes and social security costs	231,169	213,823
Directors' current accounts	-	440,052
Other creditors	30,854	1,224,380
Accruals and deferred income	990,318	967,447
	<u>4,079,148</u>	<u>5,751,777</u>

There is a debenture secured against the monies due or to become due from Optimax Clinics Limited to R K Ambrose a director and shareholder of the company.

There is a fixed and floating charge over the assets of the company.

OPTIMAX CLINICS LIMITED (FORMERLY OPTIMAX CLINICS UNLIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

11 Creditors: amounts falling due after more than one year	2013 £	2012 £
Directors loan account	6,274,414	3,000,000
Other loans	2,575,000	2,500,000
Net obligations under hire purchase contracts	522,385	-
	<u>9,371,799</u>	<u>5,500,000</u>
Analysis of loans		
Wholly repayable within five years	8,869,414	6,702,222
	<u>8,869,414</u>	<u>6,702,222</u>
Included in current liabilities	(20,000)	(1,202,222)
	<u>8,849,414</u>	<u>5,500,000</u>
Loan maturity analysis		
In more than one year but not more than two years	20,000	-
In more than two years but not more than five years	8,829,414	5,500,000
	<u>8,849,414</u>	<u>5,500,000</u>
An amount of £2,500,000 within other loans has been secured on properties owned personally by the director R K Ambrose.		
Net obligations under hire purchase contracts		
Repayable within one year	387,789	-
Repayable between one and five years	522,385	-
	<u>910,174</u>	<u>-</u>
Included in liabilities falling due within one year	(387,789)	-
	<u>522,385</u>	<u>-</u>

OPTIMAX CLINICS LIMITED (FORMERLY OPTIMAX CLINICS UNLIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

12 Provisions for liabilities

	Patient Costs £	Acquisition £	Total £
Balance at 1 January 2013	1,517,517	864,548	2,382,065
Profit and loss account	1,048,498	(544,548)	503,950
Balance at 31 December 2013	<u>2,566,015</u>	<u>320,000</u>	<u>2,886,015</u>

Patient Costs

Following patient treatments, there are a number of additional costs to be incurred once the results of the treatments have been reassessed. The provision is expected to be fully utilised over the next 2 to 3 years.

Acquisition

As set out in note 4, the Office of Fair Trading and the Competitive Commission conducted an enquiry into the Ultralase acquisition so as to protect the trade and the continued reputation of the company in the market place. The provision is expected to be fully utilised in 2014.

13 Pension and other post-retirement benefit commitments

Defined contribution

	2013 £	2012 £
Contributions payable by the company for the year	<u>32,564</u>	<u>31,528</u>

14 Share capital

	2013 £	2012 £
Allotted, called up and fully paid		
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

OPTIMAX CLINICS LIMITED (FORMERLY OPTIMAX CLINICS UNLIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

15 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 January 2013	(2,713,246)
Loss for the year	(2,518,340)
Balance at 31 December 2013	<u>(5,231,586)</u>

16 Reconciliation of movements in shareholders' funds

	2013 £	2012 £
Loss for the financial year	(2,518,340)	(3,349,207)
Opening shareholders' funds	<u>(2,712,246)</u>	<u>636,961</u>
Closing shareholders' funds	<u>(5,230,586)</u>	<u>(2,712,246)</u>

17 Financial commitments

At 31 December 2013 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 December 2014:

	Land and buildings		Other	
	2013 £	2012 £	2013 £	2012 £
Operating leases which expire:				
Within one year	53,572	120,415	-	-
Between two and five years	53,500	123,736	-	153,902
In over five years	48,000	48,000	-	-
	<u>155,072</u>	<u>292,151</u>	<u>-</u>	<u>153,902</u>

18 Directors' remuneration

	2013 £	2012 £
Remuneration for qualifying services	<u>131,415</u>	<u>193,513</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2012 - 2).

OPTIMAX CLINICS LIMITED (FORMERLY OPTIMAX CLINICS UNLIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

19 Employees

Number of employees

The average monthly number of employees (including directors) during the year was:

	2013 Number	2012 Number
Nurses & Clinic	113	120
Administration	63	60
	<u>176</u>	<u>180</u>

Employment costs

	2013 £	2012 £
Wages and salaries	3,655,811	3,283,789
Social security costs	325,234	310,612
Other pension costs	36,258	31,528
	<u>4,017,303</u>	<u>3,735,458</u>

20 Control

The company is a wholly owned subsidiary of Ophthalmic Surgery Specialists Limited, a company incorporated in England and Wales. The ultimate controlling party is R K Ambrose by virtue of his shareholding in that company.

21 Amounts written off sum due from related undertaking

During the year, an amount of £761,910 was released from the loan balance with Ultralase Limited, a fellow subsidiary of Ophthalmic Surgery Specialists Limited. An amount of £15,433 was also released from the loan balance with Ultralase Ireland Limited, a fellow subsidiary. Ultralase Limited went into administration on 30 October 2013 and Ultralase Ireland Limited went into administration on 2 July 2013.

OPTIMAX CLINICS LIMITED (FORMERLY OPTIMAX CLINICS UNLIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

22 Related party relationships and transactions

At the year end, the company owed R K Ambrose the sum of £6,274,414 (2012: £3,440,052) of which £6,274,414 (2012: £3,000,000) is due after more than one year.

The company paid licence fees to R K Ambrose in the sum of £nil (2012: £735,337) in respect of properties made available for use as clinics.

The company paid leasing fees to R K Ambrose in the sum of £522,320 (2012: £715,323) in respect of eye equipment leased to the company.

The company paid insurance premiums of £nil (2012: £285,600) to Mannequin Insurance PCC Limited, a protected cell company registered in Guernsey and R K Ambrose has previously subscribed for shares in the cell.

The company recharged expenses of £70,803 (2012: £53,285) to Optima Manufacturing Jewellers Limited, a company in which R K Ambrose is a director. At the year end, the sum of £74,021 (2012: £51,731) was due from that company.

The company recharged expenses of £nil (2012: £104,024) to Ultralase Limited, a fellow subsidiary of Ophthalmic Surgery Specialists Limited, a company in which R K Ambrose is director and shareholder. During the year, an amount of £761,910 (2012: £nil) was released from the loan balance with Ultralase Limited. During the year the company made sales of £1,457,155 (2012: £nil) and purchases of £314,815 (2012: £nil) to / from Ultralase Limited. At the year end, the sum of £nil (2012: £103,229) was due from that company.

An amount of £15,433 (2012: £nil) was released from the loan balance with Ultralase Ireland, a fellow subsidiary group member.

During the year the company made sales of £212,510 (2012: £nil) and purchases of £10,270 (2012: £nil) to / from Ultralase Eye Clinics Limited, a fellow subsidiary of Ophthalmic Surgery Specialists Limited, a company in which R K Ambrose is director and shareholder. At the year end, the sum of £45,950 (2012: £nil) was due from that company.

During the year, consultancy fees of £11,380 (2012: £nil) were paid to J Rabone, the spouse of a director of the company.

During the year, consultancy fees of £14,318 (2012: £14,000) were paid to J Ireland, a director of the company. Consultancy fees of £3,440 (2012: £nil) were also paid to D Ireland, a spouse of a director of the company.