REGISTERED NUMBER: 04228169 (England and Wales)

Report of the Directors and

Consolidated Financial Statements for the Year Ended 30 June 2013

for

DHAIS Plc

Contents of the Consolidated Financial Statements for the Year Ended 30 June 2013

Company Information
for the Year Ended 30 June 2013

DIRECTORS:	M Moss N Copeland P Clover A Williams A Kiddy
SECRETARY:	P Clover
REGISTERED OFFICE:	61 Cowbridge Road East Cardiff CF11 9AE
REGISTERED NUMBER:	04228169 (England and Wales)
AUDITORS:	Williams & Co. Chartered Accountants & Statutory Auditors 8/10 South Street Epsom Surrey KT18 7PF
SOLICITORS:	Morgan Cole Bradley Court Park Place Cardiff CF10 3DP

Chairman's Report
for the Year Ended 30 June 2013

I am pleased to report on our twelfth year of trading and our fifth year as an ISDX Growth Market listed company.

RESULTS
The group's business and activities have progressed broadly in line with expectation. The results for the 12 month period to 30 June 2013 show an increase in group turnover to £7.9m with a reduced operating loss, after depreciation and amortisation, of £86k compared to turnover of £7.4m for the equivalent 12 month period to 30 June 2012 in which the group incurred an operating loss of £142k.

The group activities comprise of the parent company's marketing lead generation business based in London and its subsidiary, Hearing Health and Mobility Ltd ("HHML") whose retail activities relating to the sale of hearing aids and mobility products are spread across the United Kingdom, with its central offices based in Cardiff.

HHML operates 14 'Hearing and Mobility' stores, all of which were previously Mobility Centres with lots of repeat customers and many years of goodwill within their respective communities. Sales and service are provided inside the group's stores and in the customers' own homes. The stores are based predominantly in the South and in the Midlands.

HHML is an accredited Motability dealer, participating in the national scheme which helps people get mobile by exchanging their mobility allowance to lease a scooter or powered wheelchair.

The parent company's marketing lead generation activity, Dhais Marketing, was established in 2001 as an expert Grey Market national advertiser. It has helped retailers and manufacturers promote goods and services throughout the United Kingdom, to mainly people over 50 years of age. This is a constantly growing sector of the population. Dhais Marketing employs creative, analytical and media experts with years of relevant experience, particularly in national advertising, and has an established client base.

Clients of Dhais Marketing have historically grown on the back of Dhais leads and some have successfully sold their businesses to larger operators. In order to mitigate such risk in the future, and with a view to bolstering shareholder value, the directors of the group have decided to focus on and grow HHML's retail business. As a result, sales of hearing aids in the year to 30 June 2013 increased by 25% compared to the previous year and sales of mobility products were up 7% on last year.

In December 2012, the group replaced loans from 2 hearing aid manufacturers with an interest free, longer term loan from another hearing aid manufacturer. This funding is reflective of the confidence shown in Dhais plc by its suppliers.

OUTLOOK
The group is already amongst the leaders in its sectors and its range of products and services is continually expanding within the growing demographics of the country. The prospects for business growth are therefore substantial, and they blend well with the government's overall economic policies in the United Kingdom.

Mark Moss
Chairman

28 November 2013

Report of the Directors
for the Year Ended 30 June 2013

The directors present their report with the financial statements of the company and the group for the year ended 30 June 2013.

PRINCIPAL ACTIVITY
The principal activity of the group in the year under review was that of the generation of leads for the digital hearing aid and mobility sectors, retailing of mobility equipment, hearing aids and electric bikes including the provision of hearing tests in the group's stores and in the customers' homes.

REVIEW OF BUSINESS
The directors of the group are satisfied with the results for the year and remain confident that the group activities will continue to grow and profitability will be attained in the near future. Further details and comments are included in the Chairman's Report.

DIVIDENDS
No dividends will be distributed for the year ended 30 June 2013.

DIRECTORS
The directors shown below have held office during the whole of the period from 1 July 2012 to the date of this report.

M Moss
N Copeland
P Clover
A Williams
A Kiddy

GROUP'S POLICY ON PAYMENT OF CREDITORS
The company's current payment policy concerning the payment of creditors is to :

(i) Settle terms of payment with suppliers when agreeing the terms of transactions.

(ii) Ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts.

(iii) Pay in accordance with its contractual and legal obligations.

Trade creditors at 30 June 2013 were equivalent to 79 days (2012 : 77 days) of purchases during the year ended on that date.

KEY PERFORMANCE INDICATORS
The directors have monitored the progress of the group and individual strategic elements by reference to certain financial key performance indicators :

	2013	2012
Gross Margin	54%	51%
Net Margin	(2)%	(4)%
Current Ratio	0.85	0.56

Report of the Directors
for the Year Ended 30 June 2013

PRINCIPAL RISKS AND UNCERTAINTIES

The management of the business and the group's strategy are subject to a number of risks. The directors have set out below the risks facing the business. The directors are of the opinion that a thorough risk management process is adopted that involves the formal review of all the risks identified below. Where possible, processes are in place to monitor and mitigate such risks.

Competition

The group operates in a competitive market and as a result there is constant pressure on pricing and margins. To mitigate this risk the company operates a policy of continuous improvement and new sector development to enable it to stay ahead of the competition and to grow revenues and maintain margins and profits. The electric bike market in the United Kingdom is young and growing. Free standing electric bike shops are difficult to make viable. The group therefore provides the sale of electric bikes throughout its stores across the United Kingdom, hence placing it at an advantage vis a vis its competitors. A group policy of constant price monitoring and high service is in place to keep ahead of the competition. The mobility stores sector in the United Kingdom is fragmented, with very few large chains of stores in existence. The group's subsidiary, Hearing Health and Mobility Limited, operates one of the biggest chains of mobility stores in the country.

Economic recession or adverse trends within the key sectors that would reduce the requirement for the group's activities

The success of the group's business is reliant on continued requirements from end users of living aids for the elderly. The global economic downturn resulting in a reduction in personal spending, has had a direct impact on the profitability achieved by the group. However, with an increasingly ageing population in the United Kingdom the prospects for growth in the demand for living aid products is on an upward trajectory. Moreover, the spending power of this sector of the population is less affected by the global downturn in consumer credit. To mitigate risk, the group operates a policy of increasing service revenues and market diversification to spread the risk from a downturn in the demand for a single product.

Deterioration in foreign exchange rates

Some of the products sold by the group are imported from other countries. Exchange rate volatility could affect demand for such products in the market place. The group does not however export its services abroad and in that regard is not subject to exchange rate fluctuation.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The group uses financial instruments comprising borrowings, cash and other liquid resources and various other items such as trade debtors and creditors that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the group's operations. The main risks arising from the group's financial instruments are interest rate risk and liquidity risk. The directors review and agree policies for managing each of these risks and they are summarised below.

INTEREST RATE RISK

The group initially financed its operations by way of retained profits. More recently the group has arranged funding by way of interest free loans which mitigates exposure to interest rate fluctuations on its borrowings.

LIQUIDITY RISK

The group seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably.

Report of the Directors
for the Year Ended 30 June 2013

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). 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 the group and of the profit or loss of the group 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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 418 of the Companies Act 2006) of which the group'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 group's auditors are aware of that information.

AUDITORS
The auditors, Williams & Co, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

A Kiddy - Director

28 November 2013

Report of the Independent Auditors to the Members of DHAIS Plc

We have audited the financial statements of DHAIS Plc for the year ended 30 June 2013 on pages seven to twenty four. 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 a Report of the Auditors 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 Statement of Directors' Responsibilities set out on page five, 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 group's and the parent 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 Chairman's Report and the Report of the Directors to identify material inconsistencies with the audited financial statements. 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 group's and of the parent company's affairs as at 30 June 2013 and of the group's 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 Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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 Smith BSc FCA (Senior Statutory Auditor)
for and on behalf of Williams & Co.
Chartered Accountants & Statutory Auditors
8/10 South Street
Epsom
Surrey
KT18 7PF

28 November 2013

Consolidated Profit and Loss Account
for the Year Ended 30 June 2013

	Notes	30.6.13 £	30.6.13 £	30.6.12 £	30.6.12 £
TURNOVER	2		7,909,194		7,439,205
Cost of sales			3,648,905		3,646,822
GROSS PROFIT			4,260,289		3,792,383
Distribution costs		3,862,146		3,415,566	
Administrative expenses		585,537		609,714	
			4,447,683		4,025,280
			(187,394)		(232,897)
Other operating income			101,063		90,931
OPERATING LOSS	4		(86,331)		(141,966)
Interest receivable and similar income			72		22
			(86,259)		(141,944)
Interest payable and similar charges	5		64,641		135,940
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION			(150,900)		(277,884)
Tax on loss on ordinary activities	6		740		-
LOSS FOR THE FINANCIAL YEAR FOR THE GROUP			(151,640)		(277,884)
Earnings per share expressed in pence per share:	8				
Basic			-0.25		-0.49
Diluted			-0.25		-0.49

CONTINUING OPERATIONS
None of the group's activities were acquired or discontinued during the current year or previous year.

TOTAL RECOGNISED GAINS AND LOSSES
The group has no recognised gains or losses other than the losses for the current year or previous year.

Consolidated Balance Sheet
30 June 2013

	Notes	30.6.13 £	30.6.13 £	30.6.12 £	30.6.12 £
FIXED ASSETS					
Intangible assets	9		1,992,106		2,126,888
Tangible assets	10		127,079		185,295
Investments	11		260,759		260,759
			2,379,944		2,572,942
CURRENT ASSETS					
Stocks	12	492,627		441,779	
Debtors	13	475,273		614,360	
Cash at bank and in hand		408,522		114,991	
		1,376,422		1,171,130	
CREDITORS					
Amounts falling due within one year	14	1,587,270		2,039,336	
NET CURRENT LIABILITIES			(210,848)		(868,206)
TOTAL ASSETS LESS CURRENT LIABILITIES			2,169,096		1,704,736
CREDITORS					
Amounts falling due after more than one year	15		2,531,000		1,915,000
NET LIABILITIES			(361,904)		(210,264)
CAPITAL AND RESERVES					
Called up share capital	18		61,450		61,450
Share premium	19		3,069,550		3,069,550
Capital redemption reserve	19		4,000		4,000
Other reserves	19		11,210		11,210
Profit and loss account	19		(3,508,114)		(3,356,474)
SHAREHOLDERS' FUNDS	22		(361,904)		(210,264)

The financial statements were approved by the Board of Directors on 28 November 2013 and were signed on its behalf by:

A Kiddy - Director

Company Balance Sheet
30 June 2013

		30.6.13		30.6.12	
	Notes	£	£	£	£
FIXED ASSETS					
Intangible assets	9		-		1,583
Tangible assets	10		3,045		14,502
Investments	11		1,060,668		1,060,668
			1,063,713		1,076,753
CURRENT ASSETS					
Stocks	12	484		37,102	
Debtors	13	5,342,529		4,993,198	
Cash at bank and in hand		211,562		73,241	
		5,554,575		5,103,541	
CREDITORS					
Amounts falling due within one year	14	784,854		1,293,254	
NET CURRENT ASSETS			4,769,721		3,810,287
TOTAL ASSETS LESS CURRENT LIABILITIES			5,833,434		4,887,040
CREDITORS					
Amounts falling due after more than one year	15		2,531,000		1,915,000
NET ASSETS			3,302,434		2,972,040
CAPITAL AND RESERVES					
Called up share capital	18		61,450		61,450
Share premium	19		3,069,550		3,069,550
Capital redemption reserve	19		4,000		4,000
Other reserves	19		11,210		11,210
Profit and loss account	19		156,224		(174,170)
SHAREHOLDERS' FUNDS	22		3,302,434		2,972,040

The financial statements were approved by the Board of Directors on 28 November 2013 and were signed on its behalf by:

A Kiddy - Director

Consolidated Cash Flow Statement
for the Year Ended 30 June 2013

	Notes	30.6.13 £	30.6.13 £	30.6.12 £	30.6.12 £
Net cash inflow from operating activities	1		130,944		307,003
Returns on investments and servicing of finance	2		(188,757)		(188,176)
Taxation			-		10,240
Capital expenditure and financial investment	2		(27,435)		(780,570)
			(85,248)		(651,503)
Financing	2		378,779		671,109
Increase in cash in the period			293,531		19,606

	Notes	30.6.13 £	30.6.13 £	30.6.12 £	30.6.12 £
Reconciliation of net cash flow to movement in net debt	3				
Increase in cash in the period		293,531		19,606	
Cash (inflow)/outflow from (increase)/decrease in debt and lease financing		(378,779)		878,889	
Change in net debt resulting from cash flows			(85,248)		898,495
Movement in net debt in the period			(85,248)		898,495
Net debt at 1 July			(2,037,230)		(2,935,725)
Net debt at 30 June			(2,122,478)		(2,037,230)

The notes form part of these financial statements

Notes to the Consolidated Cash Flow Statement for the Year Ended 30 June 2013

1. RECONCILIATION OF OPERATING LOSS TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	30.6.13	30.6.12
	£	£
Operating loss	(86,331)	(141,966)
Depreciation charges	236,375	233,314
(Profit)/loss on disposal of fixed assets	(15,940)	29,059
Increase in stocks	(50,848)	(51,784)
Decrease in debtors	139,087	97,675
(Decrease)/increase in creditors	(91,399)	140,705
Net cash inflow from operating activities	130,944	307,003

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	30.6.13	30.6.12
	£	£
Returns on investments and servicing of finance		
Interest received	72	22
Interest paid	(188,656)	(185,000)
Interest element of hire purchase payments	(173)	(3,198)
Net cash outflow for returns on investments and servicing of finance	(188,757)	(188,176)
Capital expenditure and financial investment		
Purchase of intangible fixed assets	-	(516,875)
Purchase of tangible fixed assets	(53,011)	(62,286)
Purchase of fixed asset investments	-	(260,759)
Sale of tangible fixed assets	9,576	59,350
Sale of fixed asset investments	16,000	-
Net cash outflow for capital expenditure and financial investment	(27,435)	(780,570)
Financing		
New loans in year	2,000,000	60,000
Capital repayments in year	(1,621,221)	(938,889)
Share issue	-	5,636
Share premium	-	1,544,362
Net cash inflow from financing	378,779	671,109

Notes to the Consolidated Cash Flow Statement
for the Year Ended 30 June 2013

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.7.12	Cash flow	At 30.6.13
	£	£	£
Net cash:			
Cash at bank and in hand	114,991	293,531	408,522
	114,991	293,531	408,522
Debt:			
Hire purchase	(8,601)	8,601	-
Debts falling due within one year	(228,620)	228,620	-
Debts falling due after one year	(1,915,000)	(616,000)	(2,531,000)
	(2,152,221)	(378,779)	(2,531,000)
Total	(2,037,230)	(85,248)	(2,122,478)

**Notes to the Consolidated Financial Statements
for the Year Ended 30 June 2013**

1. ACCOUNTING POLICIES

Accounting convention
The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards.

Basis of consolidation
The group financial statements consolidate the accounts of Dhais Plc and all its subsidiary undertakings made up to 30 June 2013. The group profit and loss account includes the results of all subsidiary undertakings. Turnover and profits arising on trading between group companies are excluded.

Turnover
Group turnover (excluding VAT) comprises income from three main sources. The first represents income from the supply of marketing leads to various companies in the hearing and mobility retail sectors. The second source of income arises from the retail sale of hearing aids. The third comprises sales of mobility equipment and other related products. Income is recognised when the supply of marketing leads is invoiced to the various customers. On the sale of mobility products, revenues are recognised when goods have been sold over the counter or delivered to the customer. Income on the sale of hearing aids is accounted for when the hearing aids have been fitted.

Goodwill
Goodwill, being the amount paid in connection with the acquisition of various businesses, is amortised evenly over its estimated useful life of twenty years as determined by the directors. The directors carry out full impairment reviews each year on the businesses and stores purchased. Although the group has incurred losses in recent years, the directors believe that given the rationalisation of the business and the improved trading performance, goodwill is fairly stated in the accounts.

Tangible fixed assets
Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Fixtures and fittings	-	25% on cost
Motor vehicles	-	25% on cost
Computer equipment	-	25% on cost

Stocks
Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. Stock items mainly comprise of goods for resale. In accordance with standard industry practice, stock is valued using the average historical cost basis for each product. No borrowing or distribution costs are included in the valuation basis.

Deferred tax
Deferred tax arises as a result of including items of income and expenditure in taxation computations in periods different from those in which they are included in the accounts. Deferred tax is provided in full on timing differences which result in an obligation to pay more (or a right to pay less) tax at a future date, at the tax rates that are expected to apply when the timing differences reverse, based on current tax rates and laws.

Deferred tax is not provided on timing differences arising from revaluation of fixed assets where there is no commitment to sell the asset.

Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

continued...

Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 June 2013

1. ACCOUNTING POLICIES - continued

Hire purchase and leasing commitments
Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

Segmental reporting
The directors have chosen not to publish details of its turnover and profit by activity as required by SSAP 25. The reason for this non disclosure is that the directors believe that competitor companies could use such information to their advantage.

Going concern
The group accounts show a negative balance sheet which has arisen due to trading losses suffered to date. The directors believe that the group will trade profitably going forward and will continue to support the subsidiary company. As a result, the accounts have been prepared on a going concern basis.

2. TURNOVER

An analysis of turnover by class of business is given below:

	30.6.13	30.6.12
	£	£
Marketing leads	1,896,619	2,228,268
Hearing aids	2,862,715	2,274,293
Mobility products	3,149,860	2,936,644
	7,909,194	7,439,205

3. STAFF COSTS

	30.6.13	30.6.12
	£	£
Wages and salaries	2,038,401	1,855,252

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

	30.6.13	30.6.12
Administration	11	12
Sales & distribution	79	72
	90	84

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**Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 June 2013**

4. OPERATING LOSS

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

	30.6.13 £	30.6.12 £
Hire of plant and machinery	483	650
Depreciation - owned assets	102,794	101,181
Depreciation - assets on hire purchase contracts	-	19,758
(Profit)/loss on disposal of fixed assets	(15,940)	29,059
Goodwill amortisation	133,579	112,377
Auditors' remuneration	20,000	18,001
Operating leases	384,146	315,330
Directors' remuneration	22,000	22,000

5. INTEREST PAYABLE AND SIMILAR CHARGES

	30.6.13 £	30.6.12 £
Loan interest	64,468	132,222
Hire purchase	173	3,718
	64,641	135,940

6. TAXATION

Analysis of the tax charge
The tax charge on the loss on ordinary activities for the year was as follows:

	30.6.13 £	30.6.12 £
Current tax:		
UK corporation tax	740	-
Tax on loss on ordinary activities	740	-

Factors affecting the tax charge
The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	30.6.13 £	30.6.12 £
Loss on ordinary activities before tax	(150,900)	(277,884)
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 27.500% (2012 - 27.500%)	(41,498)	(76,418)
Effects of:		
Losses to carry forward	41,498	76,418
Underprovision in prior year	740	-
Current tax charge	740	-

continued...

7. PROFIT OF PARENT COMPANY

As permitted by Section 408 of the Companies Act 2006, the profit and loss account of the parent company is not presented as part of these financial statements. The parent company's profit for the financial year was £330,394 (2012 - £(322,649) loss).

8. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the earnings attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share is calculated using the weighted average number of shares adjusted to assume the conversion of all dilutive potential ordinary shares.

Reconciliations are set out below.

	Earnings £	30.6.13 Weighted average number of shares	Per-share amount pence
Basic EPS			
Earnings attributable to ordinary shareholders	(151,640)	61,450,247	-0.25
Effect of dilutive securities	-	-	-
Diluted EPS			
Adjusted earnings	(151,640)	61,450,247	-0.25

	Earnings £	30.6.12 Weighted average number of shares	Per-share amount pence
Basic EPS			
Earnings attributable to ordinary shareholders	(277,884)	56,992,463	-0.49
Effect of dilutive securities	-	-	-
Diluted EPS			
Adjusted earnings	(277,884)	56,992,463	-0.49

continued...

9. INTANGIBLE FIXED ASSETS

Group

	Goodwill £
COST	
At 1 July 2012	2,644,449
Disposals	(1,900)
At 30 June 2013	2,642,549
AMORTISATION	
At 1 July 2012	517,561
Amortisation for year	133,579
Eliminated on disposal	(697)
At 30 June 2013	650,443
NET BOOK VALUE	
At 30 June 2013	1,992,106
At 30 June 2012	2,126,888

The amortisation for the year of £133,579 includes a charge of £27,440 relating to amortisation of goodwill arising on consolidation.

Company

	Goodwill £
COST	
At 1 July 2012	1,900
Disposals	(1,900)
At 30 June 2013	-
AMORTISATION	
At 1 July 2012	317
Amortisation for year	380
Eliminated on disposal	(697)
At 30 June 2013	-
NET BOOK VALUE	
At 30 June 2013	-
At 30 June 2012	1,583

 continued...

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 June 2013**

10. TANGIBLE FIXED ASSETS

Group

	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST				
At 1 July 2012	393,510	156,901	186,516	736,927
Additions	12,608	18,800	21,603	53,011
Disposals	(12,632)	(22,925)	-	(35,557)
At 30 June 2013	393,486	152,776	208,119	754,381
DEPRECIATION				
At 1 July 2012	262,148	123,680	165,804	551,632
Charge for year	53,703	16,565	32,526	102,794
Eliminated on disposal	(6,497)	(20,627)	-	(27,124)
At 30 June 2013	309,354	119,618	198,330	627,302
NET BOOK VALUE				
At 30 June 2013	84,132	33,158	9,789	127,079
At 30 June 2012	131,362	33,221	20,712	185,295

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Motor vehicles £
COST	
At 1 July 2012	79,033
Transfer to ownership	(79,033)
At 30 June 2013	-
DEPRECIATION	
At 1 July 2012	55,059
Transfer to ownership	(55,059)
At 30 June 2013	-
NET BOOK VALUE	
At 30 June 2013	-
At 30 June 2012	23,974

continued...

Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 June 2013

10. TANGIBLE FIXED ASSETS - continued

Company

	Fixtures and fittings £
COST	
At 1 July 2012	35,528
Additions	323
Disposals	(12,632)
At 30 June 2013	23,219
DEPRECIATION	
At 1 July 2012	21,026
Charge for year	5,645
Eliminated on disposal	(6,497)
At 30 June 2013	20,174
NET BOOK VALUE	
At 30 June 2013	3,045
At 30 June 2012	14,502

11. FIXED ASSET INVESTMENTS

Group

	Shares in group undertakings £
COST	
At 1 July 2012 and 30 June 2013	260,759
NET BOOK VALUE	
At 30 June 2013	260,759
At 30 June 2012	260,759

Company

	Shares in group undertakings £
COST	
At 1 July 2012 and 30 June 2013	1,060,668
NET BOOK VALUE	
At 30 June 2013	1,060,668
At 30 June 2012	1,060,668

continued...

Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 June 2013

11. **FIXED ASSET INVESTMENTS - continued**

The group or the company's investments at the balance sheet date in the share capital of companies include the following:

Subsidiary

Hearing Health & Mobility Limited
Nature of business: Sale of hearing aids and mobility products

	%
Class of shares:	holding
Ordinary	100.00

	30.6.13	30.6.12
	£	£
Aggregate capital and reserves	(3,303,477)	(2,848,882)
(Loss)/profit for the year	(454,595)	72,207

The directors have considered the cost of the investment and following an impairment review have considered that this investment represents fair value.

Associated Company

The company owns 50% of the Ordinary Shares in Clever Bookers Limited which specialises in tele-appointing and diary management for hearing aid dispensers. The accounts of Clever Bookers Limited are not consolidated in the group accounts of Dhais Plc on the grounds of immateriality.

12. **STOCKS**

	Group		**Company**	
	30.6.13	30.6.12	30.6.13	30.6.12
	£	£	£	£
Stocks	492,143	404,677	-	-
Goods for resale	484	37,102	484	37,102
	492,627	441,779	484	37,102

13. **DEBTORS**

	Group		**Company**	
	30.6.13	30.6.12	30.6.13	30.6.12
	£	£	£	£
Amounts falling due within one year:				
Trade debtors	366,797	528,501	586,609	727,183
Other debtors and prepayments	108,476	85,859	46,689	38,011
	475,273	614,360	633,298	765,194
Amounts falling due after more than one year:				
Amounts owed by group undertakings	-	-	4,709,231	4,228,004
Aggregate amounts	475,273	614,360	5,342,529	4,993,198

continued...

Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 June 2013

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	30.6.13	30.6.12	30.6.13	30.6.12
	£	£	£	£
Other loans (see note 16)	-	228,620	-	228,620
Hire purchase contracts (see note 17)	-	8,601	-	-
Trade creditors	1,258,641	1,249,971	640,631	763,787
Amounts owed to group undertakings	-	-	58,512	94,335
Social security and other taxes	66,630	106,043	-	-
VAT	34,161	88,481	57,381	43,587
Other creditors and accruals	227,838	357,620	28,330	162,925
	1,587,270	2,039,336	784,854	1,293,254

15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Company	
	30.6.13	30.6.12	30.6.13	30.6.12
	£	£	£	£
Other loans (see note 16)	2,531,000	1,915,000	2,531,000	1,915,000

16. LOANS

An analysis of the maturity of loans is given below:

	Group		Company	
	30.6.13	30.6.12	30.6.13	30.6.12
	£	£	£	£
Amounts falling due within one year or on demand:				
Other loans	-	228,620	-	228,620
Amounts falling due between two and five years:				
Other loans - 2-5 years	1,181,000	1,915,000	1,181,000	1,915,000
Amounts falling due in more than five years:				
Repayable otherwise than by instalments				
Other loans more than 5 years	650,000	-	650,000	-
Repayable by instalments				
Other loans more than 5 years	700,000	-	700,000	-

The company has interest free loans in place with a hearing aid manufacturer and a related company in which directors M Moss and A Kiddy have a controlling interest (see note 20).

The loan from a hearing aid manufacturer, of £2,000,000, is secured by a fixed and floating charge over the company's assets including investments and goodwill.

continued...

Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 June 2013

17. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES

Group

	Hire purchase contracts	
	30.6.13	30.6.12
	£	£
Gross obligations repayable:		
Within one year	-	8,907
Finance charges repayable:		
Within one year	-	306
Net obligations repayable:		
Within one year	-	8,601

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

Group

	Land and buildings	
	30.6.13	30.6.12
	£	£
Expiring:		
Within one year	5,000	-
Between one and five years	194,569	124,250
In more than five years	156,120	218,620
	355,689	342,870

18. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	30.6.13 £	30.6.12 £
61,450,247	Ordinary	0.001	61,450	61,450

19. RESERVES

Group

	Profit and loss account £	Share premium £	Capital redemption reserve £	Other reserves £	Totals £
At 1 July 2012	(3,356,474)	3,069,550	4,000	11,210	(271,714)
Deficit for the year	(151,640)				(151,640)
At 30 June 2013	(3,508,114)	3,069,550	4,000	11,210	(423,354)

 continued...

19. **RESERVES - continued**

Company

	Profit and loss account £	Share premium £	Capital redemption reserve £	Other reserves £	Totals £
At 1 July 2012	(174,170)	3,069,550	4,000	11,210	2,910,590
Profit for the year	330,394				330,394
At 30 June 2013	156,224	3,069,550	4,000	11,210	3,240,984

20. **RELATED PARTY DISCLOSURES**

PJ Clover and N Copeland are directors of and shareholders in Copeland and Charrington Limited. The group acquired advertising and marketing services at arms length from Copeland & Charrington Limited amounting to £1,244,058 (2012 : £1,776,524). Included in trade creditors at 30 June 2013 is an amount owing to Copeland & Charrington Limited of £600,934 (2012 : £702,790).

The company has an interest free loan from Zig Zag Water Limited, a company controlled by directors M Moss and A Kiddy. The outstanding loan balance at the end of the year was £531,000 (2012 : £615,000).

Dhais Plc owns a 50% shareholding in Clever Bookers Limited. Melissa Whitehouse, a director of Dhais Plc's subsidiary company, Hearing Health & Mobility Limited, is also a director of Clever Bookers Limited. During the year teleappointing and diary management services amounting to £93,192 (2012 : £48,541) were provided by Clever Bookers Limited to Hearing Health & Mobility Limited.

A Kiddy is a director and shareholder in Kalker UK Limited. During the year the group acquired consultancy services at arms length from Kalker UK Limited amounting to £76,742 (2012 : £75,000).

21. **ULTIMATE CONTROLLING PARTY**

The company has no controlling party.

22. **RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

Group

	30.6.13 £	30.6.12 £
Loss for the financial year	(151,640)	(277,884)
Share issue	-	1,550,000
Net (reduction)/addition to shareholders' funds	(151,640)	1,272,116
Opening shareholders' funds	(210,264)	(1,482,380)
Closing shareholders' funds	(361,904)	(210,264)

continued...

22. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS - continued

Company

	30.6.13	30.6.12
	£	£
Profit/(loss) for the financial year	330,394	(322,649)
Share issue	-	1,550,000
Net addition to shareholders' funds	330,394	1,227,351
Opening shareholders' funds	2,972,040	1,744,689
Closing shareholders' funds	3,302,434	2,972,040