

UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE

In re MACKEYSER HOLDINGS, LLC *et al.*

Case No. 14-11550 (CSS)

Reporting Period: August 1, 2014 through August 31, 2014

MONTHLY OPERATING REPORT

File with Court and submit copy to United States Trustee within 20 days after end of month.

Submit copy of report to any official committee appointed in the case.

REQUIRED DOCUMENTS	Form No.	Document Attached	Explanation Attached	Affidavit/Supplement Attached
Schedule of Cash Receipts and Disbursements	MOR-1	x		
Bank Reconciliation (or copies of debtor's bank reconciliations)	MOR-1a	x	x	
Schedule of Professional Fees Paid	MOR-1b	x		
Copies of bank statements			x	
Cash disbursements journals			x	
Statement of Operations	MOR-2	x		
Balance Sheet	MOR-3	x		
Status of Postpetition Taxes	MOR-4	x		
Copies of IRS Form 6123 or payment receipt			x	
Copies of tax returns filed during reporting period			x	
Summary of Unpaid Postpetition Debts	MOR-4	x		
Listing of aged accounts payable	MOR-4	x		
Accounts Receivable Reconciliation and Aging	MOR-5	x		
Debtor Questionnaire	MOR-5	x		

I declare under penalty of perjury (28 U.S.C. Section 1746) that this report and the attached documents are true and correct to the best of my knowledge and belief.

\_\_\_\_\_  
Signature of Debtor

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Joint Debtor



\_\_\_\_\_  
Date

10/30/14

\_\_\_\_\_  
Signature of Authorized Individual\*

\_\_\_\_\_  
Date

Thomas J. Allison  
\_\_\_\_\_  
Printed Name of Authorized Individual

Chief Executive Officer  
\_\_\_\_\_  
Title of Authorized Individual

\*Authorized individual must be an officer, director or shareholder if debtor is a corporation; a partner if debtor is a partnership; a manager or member if debtor is a limited liability company.

In re **MACKEYSER HOLDINGS, LLC et al.**  
Debtors

Case No. 14-11550 (CSS)  
Reporting Period: August 1, 2014 through August 31, 2014

**SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS**

Amounts reported should be per the debtor's books, not the bank statement. The beginning cash should be the ending cash from the prior month or, if this is the first report, the amount should be the balance on the date the petition was filed. The amounts reported in the "CURRENT MONTH - ACTUAL" column must equal the sum of the four bank account columns. The amounts reported in the "PROJECTED" columns should be taken from the SMALL BUSINESS INITIAL REPORT (FORM IR-1). Attach copies of the bank statements and the cash disbursements journal. The total disbursements listed in the disbursements journal must equal the total disbursements reported on this page. A bank reconciliation must be attached for each account. [See MOR-1 (CON'T)]

	BANK ACCOUNTS				CURRENT MONTH		CUMULATIVE FILING TO DATE	
	OPER.	PAYROLL	TAX	OTHER	ACTUAL	PROJECTED	ACTUAL	PROJECTED
CASH BEGINNING OF MONTH					379,452		742,570	
<b>RECEIPTS</b>								
CASH SALES	SEE ATTACHED				1,468,515		4,665,625	
ACCOUNTS RECEIVABLE								
LOANS AND ADVANCES								
SALE OF ASSETS/KEEPWELL DEPOSITS					1,761,437		1,761,437	
DIP LOAN PROCEEDS							1,052,105	
TRANSFERS (FROM DIP ACCTS)								
<b>TOTAL RECEIPTS</b>					<b>3,229,952</b>		<b>7,479,167</b>	
<b>DISBURSEMENTS</b>								
NET PAYROLL	SEE ATTACHED							
PAYROLL TAXES								
SALES, USE, & OTHER TAXES								
INVENTORY PURCHASES								
SECURED/ RENTAL/ LEASES								
INSURANCE								
ADMINISTRATIVE								
SELLING								
OTHER (ATTACH LIST)								
OWNER DRAW *								
TRANSFERS (TO DIP ACCTS)								
PROFESSIONAL FEES								
U.S. TRUSTEE QUARTERLY FEES								
COURT COSTS								
<b>TOTAL DISBURSEMENTS - SEE ATTACHED</b>					<b>2,026,644</b>		<b>6,541,994</b>	
NET CASH FLOW					1,203,308		937,173	
CHANGE IN DUE FROM AMEDCO ACCOUNTS					(244,372)		(147,389)	
<b>CASH - END OF MONTH - DEBTOR ACCTS</b>					<b>1,827,132</b>		<b>1,827,132</b>	

\* COMPENSATION TO SOLE PROPRIETORS FOR SERVICES RENDERED TO BANKRUPTCY ESTATE

**THE FOLLOWING SECTION MUST BE COMPLETED**

DISBURSEMENTS FOR CALCULATING U.S. TRUSTEE QUARTERLY FEES: (FROM CURRENT MONTH ACTUAL COLUMN)	
TOTAL DISBURSEMENTS SEE ATTACHMENT	\$
LESS: TRANSFERS TO DEBTOR IN POSSESSION ACCOUNTS	\$
PLUS: ESTATE DISBURSEMENTS MADE BY OUTSIDE SOURCES (i.e. from escrow accounts)	\$
<b>TOTAL DISBURSEMENTS FOR CALCULATING U.S. TRUSTEE QUARTERLY FEES</b>	<b>\$</b>

**American Optical Services  
Cash Receipts and Disbursements Summary  
August 1 through August 31, 2014**

Name	Case Number	Aug Receipts	COGS	Payroll	Rent	Utilities	Insurance	Taxes	G&A	UST Fees	Professional Fees	Transfers	Restructuring	Subtotal Disbursements	Net Change in Cash
Mackeyser Holdings, LLC	14-11550	-	-	-	-	-	-	-	183	-	-	-	-	183	(183)
AOS-OMS, LLC	14-11544	-	-	383	-	5,895	-	-	1,541	-	-	-	-	7,819	(7,819)
American Optical Services, LLC	14-11545	121,664	209,089	745,381	277,220	36,636	243,827	896	150,670	12,025	62,099	(857,835)	53,988	933,996	(812,331)
EHIS-Riverfront, LLC	14-11546	-	-	-	-	-	-	-	-	-	-	-	-	-	-
American Optical Services, Inc.	14-11528	200,490	-	-	-	-	-	-	8,318	-	-	-	-	8,318	192,172
Exela Hearing Services, LLC	14-11549	296,219	-	12,346	-	-	-	-	316	-	-	-	-	12,662	283,557
Riverfront Hearing, Inc.	14-11548	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Optical Management Systems, Inc.	14-11547	6,066	-	-	-	-	-	-	55	-	-	-	-	55	6,011
Thomas Retinal Eye Specialists, P.C.	14-11531	-	-	-	-	-	-	-	392	-	-	-	-	392	-
Steven T. Olkowski, M.D., P.C.	14-11532	392	-	-	-	-	-	-	-	-	-	-	-	-	-
Joseph D. Udvari, Jr., O.D., P.C.	14-11533	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Larry R. Moorman, M.D., P.C.	14-11534	3,896	-	-	-	-	-	-	-	-	-	-	-	-	-
Phillip H. Clark, O.D., P.A.	14-11535	-	-	4,835	-	-	-	-	-	-	-	-	-	-	3,896
Lakewood Eye Clinic P.C.	14-11536	-	-	-	-	-	-	-	-	-	-	-	-	4,835	(4,835)
Thomas G. Abell, M.D., P.S.C.	14-11537	24,282	-	-	-	-	-	-	-	-	-	-	-	-	-
Eyes On You Eye Care, Inc.	14-11538	-	-	-	-	-	-	-	92	-	-	-	-	92	24,190
Epic Management Group, LLC	14-11539	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Eyeglasses Etc., Inc.	14-11541	-	-	-	-	-	-	-	-	-	-	-	-	-	-
J. Richard Susi, D.O., P.A.	14-11542	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Joseph Kurstin, M.D., P.A.	14-11543	1,258	-	-	-	-	-	-	-	-	-	-	-	-	-
Genesis Billing Systems, LLC	14-11529	-	-	-	-	-	-	-	54	-	-	-	-	54	1,204
Genesis Eye Center, PLLC	14-11530	613	-	197	-	-	-	-	35	-	-	-	-	232	382
926 N. Wilcrest, LLC	14-11540	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Subtotal</b>		<b>654,881</b>	<b>209,089</b>	<b>763,142</b>	<b>277,220</b>	<b>42,531</b>	<b>243,827</b>	<b>896</b>	<b>161,656</b>	<b>12,025</b>	<b>62,099</b>	<b>(857,835)</b>	<b>53,988</b>	<b>968,638</b>	<b>(313,757)</b>
All Other Accounts (Amedcos)		813,633	-	138,282	-	2,160	-	-	59,728	-	-	857,835	-	1,058,005	(244,372)
<b>Total</b>		<b>1,468,515</b>	<b>209,089</b>	<b>901,425</b>	<b>277,220</b>	<b>44,691</b>	<b>243,827</b>	<b>896</b>	<b>221,384</b>	<b>12,025</b>	<b>62,099</b>	<b>-</b>	<b>53,988</b>	<b>2,026,644</b>	<b>(558,129)</b>

**Other Receipts: Asset Sale/Keepwell Receipts**

Simon	60,000
Genesis	40,000
Atlantic Eye	30,000
Clark	105,000
St Lukes	175,000
Lakewood	35,000
International Eye	105,000
Abell	86,799
Apple Hill	200,010
Chrycy	35,000
Moorman	3,237
Clark	9,020
Moorman	1,736
Tiger	515,000
Wabash	250,000
Keepwell Receipts	110,635
<b>Subtotal</b>	<b>1,761,437</b>
<b>Total Receipts</b>	<b>3,229,552</b>



**MacKeyser Holdings, LLC et al**  
**Ending Cash Balances**  
**As of August 31, 2014**

<u>Group</u>	<u>Legal Entity</u>	<u>Bank Name</u>	<u>Debtor / Non-Debtor</u>	<u>Acct #</u>	<u>July Ending Balance</u>
<b>DEBTOR ACCOUNTS</b>					
Mackeyser Holdings	Mackeyser Holdings, LLC/General	Bank of America	Debtor		1,084,223.58
Mackeyser Holdings	Mackeyser Holdings, LLC/Utility Reserve	Bank of America	Debtor		56,097.00
American Optical Services	American Optical Services LLC Master Account	Wells Fargo Bank	Debtor		100,699.33
American Optical Services	American Optical Services LLC-DBA WCEC		Debtor		-
American Optical Services	American Optical Services LLC - AP	Wells Fargo Bank	Debtor		-
American Optical Services	American Optical Services LLC - Payroll	Wells Fargo Bank	Debtor		393,870.06
American Optical Services	American Optical Services LLC	Bank of America	Debtor		681.25
American Optical Services	Bank of America	Genesis(Old)	Debtor		414.52
American Optical Services	TRENOR	Wells Fargo Bank	Debtor		203.04
American Optical Services	TRENOR	Wells Fargo Bank	Debtor		1,303.95
American Optical Services	GECNC	Bank of America	Debtor		4,304.72
American Optical Services	The Eye Gallery - Destin	Regions Bank	Debtor		3,715.97
American Optical Services	Artful Eye - Seaside	Regions Bank	Debtor		6,984.12
American Optical Services	The Eye Gallery - Pier Park	Regions Bank	Debtor		3,696.46
1162 Military Trail, LLC	Joseph Kurstin MD	US Bank	Debtor		74,149.08
1162 Military Trail, LLC	Joseph Kurstin MD - Medicare	Mercantil Commerce Bank	Debtor		17,983.04
Amedco Georgia LLC	Larry R Moorman MD	BB&T	Debtor		10,633.16
Thomas G. Abell MD	Eye Institute of Central Kentucky/Business Savings	Citizens Bank & Trust	Debtor		982.15
Thomas G. Abell MD	Eye Institute of Central Kentucky/Business Checking	Citizens Bank & Trust	Debtor		14,709.80
Exela Hearing Services LLC	EHS Operating	Bank of America	Debtor		191.11
Exela Hearing Services LLC	EHS - Westhills	Citizens Bank	Debtor		1,388.45
Exela Hearing Services LLC	EHS Operating	Wells Fargo Bank	Debtor		1,000.47
Exela Hearing Services LLC	Riverfront Hearing Anderson	PNC Bank	Debtor		46,514.94
OMS	AOS - OMS	Bank of America	Debtor		396.61
OMS	Optiview Vision Center	Fifth Third Bank	Debtor		2,989.32
OMS	Optical Management Systems	Fifth Third Bank	Debtor		-
Riverfront Hearing		None	Debtor		-
926 N Wilcrest, LLC		None	Debtor		-
<b>TOTAL DEBTOR ACCOUNTS</b>					<b>1,827,132.13</b>



In re **MACKEYSER HOLDINGS, LLC** *et al.*  
Debtors

Case No. 14-11550 (CSS)  
Reporting Period: August 1 through August 31, 2014

### STATEMENT OF OPERATIONS

(Income Statement)

#### DRAFT - UNAUDITED - SUBJECT TO CHANGE

The Statement of Operations is to be prepared on an accrual basis. The accrual basis of accounting recognizes revenue when it is realized and expenses when they are incurred, regardless of when cash is actually received or paid.

REVENUES	Month	Cumulative Filing to Date
Gross Revenues	1,408,524	5,728,253
Less: Returns and Allowances	(560,040)	(1,585,973)
Net Revenue	848,484	4,142,280
<b>COST OF GOODS SOLD</b>		
Beginning Inventory		
Add: Purchases		
Add: Cost of Labor		
Add: Other Costs (attach schedule)		
Less: Ending Inventory		
Cost of Goods Sold	444,277	1,323,472
Gross Profit	404,207	2,818,808
<b>OPERATING EXPENSES</b>		
Advertising	-	5,774
Auto and Truck Expense	3,327	5,404
Bad Debts	778,855	2,483,272
Contributions	-	-
Employee Benefits Programs	83,192	121,291
Insider Compensation*	50,000	100,000
Insurance	81,115	207,991
Management Fees/Bonuses	-	-
Office Expense	5,129	79,803
Pension & Profit-Sharing Plans	-	-
Repairs and Maintenance	-	12,320
Rent and Lease Expense	181,942	846,875
Salaries/Commissions/Fees	452,723	2,467,677
Supplies	-	-
Taxes - Payroll	36,675	104,765
Taxes - Real Estate	-	19,887
Taxes - Other	-	-
Travel and Entertainment	17,718	28,466
Utilities	18,647	88,526
Other (attach schedule)	124,874	440,957
Total Operating Expenses Before Depreciation	1,834,197	7,013,008
Depreciation/Depletion/Amortization	-	-
Net Profit (Loss) Before Other Income & Expenses	(1,429,990)	(4,194,200)
<b>OTHER INCOME AND EXPENSES</b>		
Other Income (attach schedule)	(4,223)	(5,789)
Interest Expense	0	(3)
Other Expense (attach schedule)	-	4,944
Net Profit (Loss) Before Reorganization Items	(1,425,767)	(4,193,352)
<b>REORGANIZATION ITEMS</b>		
Professional Fees	858,298	2,339,187
U. S. Trustee Quarterly Fees	-	12,025
Interest Earned on Accumulated Cash from Chapter 11 (see continuation sheet)	-	(5)
(Gain) Loss from Sale of Equipment	3,426,732	3,426,732
Other Reorganization Expenses (attach schedule)	2,872,972	2,872,972
Total Reorganization Expenses	7,158,002	8,650,911
Income Taxes	-	-
Net Profit (Loss)	(8,583,769)	(12,844,263)

\*"Insider" is defined in 11 U.S.C. Section 101(31).

In re **MACKEYSER HOLDINGS, LLC** *et al.*  
Debtors

Case No. 14-11550 (CSS)  
Reporting Period: August 1 through August 31, 2014

**STATEMENT OF OPERATIONS - continuation sheet**  
**DRAFT - UNAUDITED - SUBJECT TO CHANGE**

BREAKDOWN OF "OTHER" CATEGORY	Month	Cumulative Filing to Date
<b>Other Costs</b>		
<b>Other Operational Expenses</b>		
Medical Supplies	-	16,227
Payroll Professing Fees	11,806	31,412
Outside Services	77,167	243,937
Ordinary Course Professionals	-	56,518
Dues & Subscriptions	2,179	6,710
Merchant Processing and Bank Fees	33,722	86,153
Total Other Expense	124,874	440,957
<b>Other Income</b>		
Miscellaneous Income	4,223	5,789
<b>Other Expenses</b>		
Penalties and Late Fees	4,944	9,888
<b>Other Reorganization Expenses</b>		
Discontinued Operations of closed locations	2,872,972	2,872,972

**Reorganization Items - Interest Earned on Accumulated Cash from Chapter 11:**

Interest earned on cash accumulated during the chapter 11 case, which would not have been earned but for the bankruptcy proceeding, should be reported as a reorganization item.



In re **MACKEYSER HOLDINGS, LLC** *et al.*  
Debtors

Case No. 14-11550 (CSS)  
Reporting Period: August 1 through August 31, 2014

DRAFT - UNAUDITED

**Mackeyser Holdings, LLC and Debtor Entities**

Consolidated Statement of Operations

For the Period From August 1 through August 31, 2014

	INCOME STATEMENTS BY DEBTOR				
	<b>AOS-OMS, LLC</b>	<b>EHS RIVERFRONT, LLC</b>	<b>EXELA HEARING SERVICES, LLC</b>	<b>AMERICAN OPTICAL SERVICES, LLC</b>	<b>MACKEYSER HOLDINGS, LLC</b>
<b>Consolidated</b>					
Material Revenue	\$ 1,171,966	75,681	9,290	826,667	-
Professional Services	236,558	-	-	170,450	-
Insurance Adjustments and Discounts	(560,040)	-	-	(495,384)	-
<b>Total Revenue</b>	<b>\$ 848,484</b>	<b>75,681</b>	<b>9,290</b>	<b>501,733</b>	<b>-</b>
Cost of Goods Sold	444,277	11,171	-	379,064	-
<b>Gross Margin</b>	<b>\$ 404,207</b>	<b>64,510</b>	<b>9,290</b>	<b>122,669</b>	<b>-</b>
Compensation & Benefits	634,396	10,869	(600)	541,992	-
Facility Costs	200,589	30	-	193,591	-
Marketing	(1,820)	-	250	(3,418)	-
General & Administrative	1,001,032	1,384	542	791,750	-
Discontinued Operations - Closed Locations (Gain) Loss on Asset Sales	2,872,972	9,421	702,563	2,315,675	-
	3,426,732	-	-	3,426,732	-
<b>Total Direct Costs</b>	<b>\$ 8,133,901</b>	<b>21,704</b>	<b>702,755</b>	<b>7,266,322</b>	<b>-</b>
<b>Operating Income</b>	<b>\$ (7,729,694)</b>	<b>42,806</b>	<b>(693,465)</b>	<b>(7,143,653)</b>	<b>-</b>
Reorganization Expense	858,298	-	-	-	858,298
Net Other Income/(Expense)	4,223	-	-	4,223	-
<b>Net Loss</b>	<b>\$ (8,583,769)</b>	<b>42,806</b>	<b>(693,465)</b>	<b>(7,139,430)</b>	<b>(858,298)</b>

Note: The income statements list the Debtors that have business operations and assets as of August 31, 2014. None of the other Debtor entities are included because they either have no business operations, and/or were closed by August 31, 2014. See attached list of Debtors with no separate income statements.

**In re MACKEYSER HOLDINGS, LLC *et al.***

Case No. 14-11550 (CSS)

Debtors

Reporting Period: August 1 through August 31, 2014

The following Debtors have no operations and/or were closed as of June 30, 2014. Therefore, separate income statements for these Debtor entities are not included as of August 31, 2014.

<b>Name</b>	<b>Case Number</b>
American Optical Services, Inc.	14-11528
Riverfront Hearing, Inc.	14-11548
Optical Management Systems, Inc.	14-11547
Thomas Retinal Eye Specialists, P.C.	14-11531
Steven T. Olkowski, M.D., P.C.	14-11532
Joseph D. Udvari, Jr., O.D., P.C.	14-11533
Larry R. Moorman, M.D., P.C.	14-11534
Phillip H. Clark, O.D., P.A.	14-11535
Lakewood Eye Clinic P.C.	14-11536
Thomas G. Abell, M.D., P.S.C.	14-11537
Eyes On You Eye Care, Inc.	14-11538
Epic Management Group, LLC	14-11539
Eyeglasses Etc., Inc.	14-11541
J. Richard Susi, D.O., P.A.	14-11542
Joseph Kurstin, M.D., P.A.	14-11543
Genesis Billing Systems, LLC	14-11529
Genesis Eye Center, PLLC	14-11530
926 N. Wilcrest, LLC	14-11540

In re MACKEYSER HOLDINGS, LLC *et al.*  
Debtors

Case No. 14-11550 (CSS)  
Reporting Period: August 1 through August 31, 2014

**BALANCE SHEET**  
**DRAFT - UNAUDITED - SUBJECT TO CHANGE**

The Balance Sheet is to be completed on an accrual basis only. Pre-petition liabilities must be classified separately from postpetition obligations.

ASSETS	BOOK VALUE AT END OF CURRENT REPORTING MONTH	BOOK VALUE ON PETITION DATE
<b>CURRENT ASSETS</b>		
Unrestricted Cash and Equivalents	1,827,132	742,570
Due From Amedco Accounts	141,311	-
Accounts Receivable (Net)	2,011,824	3,684,282
Notes Receivable		-
Inventories	1,677,889	5,086,940
Prepaid Expenses	602,809	502,169
Professional Retainers		
Other Current Assets (attach schedule)	-	642,478
<b>TOTAL CURRENT ASSETS</b>	<b>6,260,965</b>	<b>10,658,439</b>
<b>PROPERTY AND EQUIPMENT</b>		
Real Property and Improvements		
Machinery and Equipment		
Furniture, Fixtures and Office Equipment		
Leasehold Improvements		
Vehicles		
Less Accumulated Depreciation		
<b>TOTAL PROPERTY &amp; EQUIPMENT - NET</b>	<b>3,986,676</b>	<b>9,098,112</b>
<b>OTHER ASSETS</b>		
Loans to Insiders*	-	-
Other Assets (attach schedule)	2,715,440	53,612,384
<b>TOTAL OTHER ASSETS</b>	<b>2,715,440</b>	<b>53,612,384</b>
<b>TOTAL ASSETS</b>	<b>12,963,081</b>	<b>73,368,935</b>

LIABILITIES AND OWNER EQUITY	BOOK VALUE AT END OF CURRENT REPORTING MONTH	BOOK VALUE ON PETITION DATE
<b>LIABILITIES NOT SUBJECT TO COMPROMISE (Postpetition)</b>		
Accounts Payable	144,952	
Taxes Payable (refer to FORM MOR-4)	103,413	
Wages Payable	149,098	
Notes Payable - DIP Loan	1,052,105	
Rent / Leases - Building/Equipment	165,000	
Secured Debt / Adequate Protection Payments		
Professional Fees	1,863,407	
Amounts Due to Insiders*	-	-
Other Postpetition Liabilities (attach schedule)	-	-
<b>TOTAL POSTPETITION LIABILITIES</b>	<b>3,477,975</b>	<b>-</b>
<b>LIABILITIES SUBJECT TO COMPROMISE (Pre-Petition)</b>		
Secured Debt	23,189,391	23,000,000
Priority Debt	895,798	1,500,000
Unsecured Debt	28,561,573	27,100,000
<b>TOTAL PRE-PETITION LIABILITIES</b>	<b>52,646,762</b>	<b>51,600,000</b>
<b>TOTAL LIABILITIES</b>	<b>56,124,737</b>	<b>51,600,000</b>
<b>OWNER EQUITY</b>		
Capital Stock and Paid-In Capital	39,685,609	46,555,854
Retained Earnings - Pre-Petition	(70,003,002)	(24,786,919)
Retained Earnings - Postpetition	(12,844,263)	
Adjustments to Owner Equity (attach schedule)		
Postpetition Contributions (Distributions) (Draws) (attach schedule)		
<b>NET OWNER EQUITY</b>	<b>(43,161,656)</b>	<b>21,768,935</b>
<b>TOTAL LIABILITIES AND OWNERS' EQUITY</b>	<b>12,963,081</b>	<b>73,368,935</b>

\*\*Insider" is defined in 11 U.S.C. Section 101(31).

In re MACKEYSER HOLDINGS, LLC et al.  
Debtors

Case No. 14-11550 (CSS)  
Reporting Period: August 1 through August 31, 2014

**BALANCE SHEET - continuation sheet**  
**DRAFT - UNAUDITED - SUBJECT TO CHANGE**

ASSETS	BOOK VALUE AT END OF CURRENT REPORTING MONTH	BOOK VALUE ON PETITION DATE
Other Current Assets		
Due from Eyelux (1)	-	642,478
Total Other Current Assets	-	642,478
(1) Receivable from Eyelux written down to zero as of July 31, 2014 based on information identified during July 2014		
Other Assets		
Intangibles	750,000	1,548,400
Other		71,561
Intercompany Receivable	1,965,440	1,863,048
Goodwill (2)	-	50,129,375
Total Other Assets	2,715,440	53,612,384
(2) Goodwill written down to zero as of June 30, 2014		
LIABILITIES AND OWNER EQUITY	BOOK VALUE AT END OF CURRENT REPORTING MONTH	BOOK VALUE ON PETITION DATE
Other Postpetition Liabilities		
Adjustments to Owner Equity		
Postpetition Contributions (Distributions) (Draws)		

Restricted Cash is cash that is restricted for a specific use and not available to fund operations. Typically, restricted cash is segregated into a separate account, such as an escrow account.

In re **MACKEYSER HOLDINGS, LLC** *et al.*  
Debtors

Case No. 14-11550 (CSS)  
Reporting Period: August 1 through August 31, 2014

**DRAFT - UNAUDITED**  
**Mackeyser Holdings, LLC and Debtor Entities**  
**Balance Sheets as of 8-31-14**

	<b>Consolidated</b>					<b>AOS-OMS, LLC</b>	<b>EHS RIVERFRONT, LLC</b>	<b>EXELA HEARING SERVICES, LLC</b>	<b>AMERICAN OPTICAL SERVICES, LLC</b>	<b>MACKEYSER HOLDINGS, LLC</b>			
Cash	\$	1,827,132				\$	15,384	\$	607	\$	1,527,208	\$	241,336
Due from Amedco Accounts		141,311					-		141,311		141,311		-
Inventories		1,677,889				290,270			1,387,619		1,387,619		-
Accounts receivable		2,011,824				1,174,142	89,087	121,606	626,989		626,989		-
Intercompany receivable		1,965,440				(3,192,940)	1,259,023	(2,156,439)	7,940,513		7,940,513		(1,884,717)
Prepays and other		602,809				74,451	5,176	6,200	227,180		227,180		289,802
PPE		3,986,676				1,090,968	45,673	17,704	2,832,331		2,832,331		
Intangibles		750,000							750,000		750,000		
Total Assets	\$	12,963,081				\$	1,414,343	\$	(2,010,322)	\$	15,433,151	\$	(1,353,579)
Accounts payable	\$	144,952							144,952				
Accrued Liabilities													
Wages Payable		149,098				14,287	(8,987)	16,342	127,456		127,456		
Taxes Payable		103,413				648	452	14	102,299		102,299		
Rent lease		165,000							165,000				
Professional fees		1,863,407											1,863,407
DIP Loan		1,052,105											1,052,105
Total Post-Petition Liabilities		3,477,975				14,935	(8,535)	16,356	539,707		539,707		2,915,512
Liabilities Subject to Compromise:													
Pre-Petition Secured		23,189,391							23,189,391				
Pre-Petition Priority		895,798							895,798				
Pre-Petition Unsecured		28,561,573							28,561,573				
Total Liabilities		56,124,737				14,935	(8,535)	16,356	53,186,469		53,186,469		2,915,512
Equity		(43,161,656)				(535,447)	1,422,878	(2,026,678)	(37,753,318)		(37,753,318)		(4,269,091)
Total Liabilities and Equity	\$	12,963,081				\$	1,414,343	\$	(2,010,322)	\$	15,433,151	\$	(1,353,579)

Note: The balance sheets list the Debtors that have business operations and assets as of August 31, 2014. None of the other Debtor entities are included because they either have no business operations, and/or were closed by August 31, 2014. See attached list of Debtors with no separate balance sheets.

In re **MACKEYSER HOLDINGS, LLC** *et al.*

Case No. 14-11550 (CSS)

Debtors

Reporting Period: August 1 through August 31, 2014

The following Debtors have no operations and/or were closed as of June 30, 2014. Therefore, separate balance sheets for these Debtor entities are not included as of August 31, 2014.

<u>Name</u>	<u>Case Number</u>
American Optical Services, Inc.	14-11528
Riverfront Hearing, Inc.	14-11548
Optical Management Systems, Inc.	14-11547
Thomas Retinal Eye Specialists, P.C.	14-11531
Steven T. Olkowski, M.D., P.C.	14-11532
Joseph D. Udvari, Jr., O.D., P.C.	14-11533
Larry R. Moorman, M.D., P.C.	14-11534
Phillip H. Clark, O.D., P.A.	14-11535
Lakewood Eye Clinic P.C.	14-11536
Thomas G. Abell, M.D., P.S.C.	14-11537
Eyes On You Eye Care, Inc.	14-11538
Epic Management Group, LLC	14-11539
Eyeglasses Etc., Inc.	14-11541
J. Richard Susi, D.O., P.A.	14-11542
Joseph Kurstin, M.D., P.A.	14-11543
Genesis Billing Systems, LLC	14-11529
Genesis Eye Center, PLLC	14-11530
926 N. Wilcrest, LLC	14-11540

In re **MACKEYSER HOLDINGS, LLC** *et al.*  
Debtors

Case No. 14-11550 (CSS)  
Reporting Period: August 1 through August 31,

### STATUS OF POSTPETITION TAXES

The beginning tax liability should be the ending liability from the prior month or, if this is the first report, the amount should be zero.  
Attach photocopies of IRS Form 6123 or payment receipt to verify payment or deposit of federal payroll taxes.  
Attach photocopies of any tax returns filed during the reporting period.

	Beginning Tax Liability	Amount Withheld or Accrued	Amount Paid	Date Paid	Check No. or EFT	Ending Tax Liability
<b>Federal</b>						
Withholding	ALL TAXES HAVE BEEN PAID WHEN DUE. COPIES OF ANY APPLICABLE TAX					
FICA-Employee	RETURNS ARE AVAIALBLE UPON REQUEST OF THE US TRUSTEE.					
FICA-Employer						
Unemployment						
Income						
Other: Payroll Taxes						52,094
Total Federal Taxes	-	-	-	-	-	52,094
<b>State and Local</b>						
Withholding						
Sales	91,363		40,054	various	various	51,309
Excise						
Unemployment						
Real Property						
Personal Property						
Other:						
Total State and Local	91,363	-	40,054	-	-	51,309
<b>Total Taxes</b>	<b>91,363</b>	<b>-</b>	<b>40,054</b>	<b>-</b>	<b>-</b>	<b>103,403</b>

### SUMMARY OF UNPAID POSTPETITION DEBTS

Attach aged listing of accounts payable.

	Number of Days Past Due					Total
	Current	0-30	31-60	61-90	Over 90	
Accounts Payable	144,952					144,952
Wages Payable	149,098					149,098
Taxes Payable	103,413					103,413
Rent/Leases-Building			165,000			165,000
Rent/Leases-Equipment	-					-
Secured Debt/Adequate Protection Payments	-					-
Professional Fees	811,873	681,534	370,000			1,863,407
Amounts Due to Insiders* - DIP Loan	-		1,052,105			1,052,105
Other:						-
Other:						-
<b>Total Postpetition Debts</b>	<b>1,209,336</b>	<b>681,534</b>	<b>1,587,105</b>	<b>-</b>	<b>-</b>	<b>3,477,975</b>

Explain how and when the Debtor intends to pay any past-due postpetition debts.  
Post-petition debts will be paid from DIP funds and operating cash in the ordinary course of business

\*"Insider" is defined in 11 U.S.C. Section 101(31).

In re **MACKEYSER HOLDINGS, LLC** *et al.*  
Debtors

Case No. 14-11550 (CSS)  
Reporting Period: August 1 - August 31, 2014

### ACCOUNTS RECEIVABLE RECONCILIATION AND AGING

<b>Accounts Receivable Reconciliation</b>	<b>Amount</b>	
Total Accounts Receivable at the beginning of the reporting period	3,384,698	
+ Amounts billed during the period	848,484	
- Amounts collected during the period and bad debt write-offs (1)	2,221,358	
Total Accounts Receivable at the end of the reporting period	2,011,824	

<b>Accounts Receivable Aging</b>	<b>Amount</b>	
0 - 30 days old	181,253	
31 - 60 days old	215,360	
61 - 90 days old	564,316	
91+ days old	1,050,895	
Total Accounts Receivable	2,011,824	
Amount considered uncollectible (Bad Debt) ABOVE IS NET OF BAD DEBT		0
Accounts Receivable (Net)	2,011,824	

Note (1) Includes Bad Debt Expense and Bad Debt Write-Offs related to discontinued operations

### DEBTOR QUESTIONNAIRE

<b>Must be completed each month</b>	<b>Yes</b>	<b>No</b>
1. Have any assets been sold or transferred outside the normal course of business this reporting period? If yes, provide an explanation below.	x (1)	
2. Have any funds been disbursed from any account other than a debtor in possession account this reporting period? If yes, provide an explanation below.	x (2)	
3. Have all postpetition tax returns been timely filed? If no, provide an explanation below.	x	
4. Are workers compensation, general liability and other necessary insurance coverages in effect? If no, provide an explanation below.	x	
5. Has any bank account been opened during the reporting period? If yes, provide documentation identifying the opened account(s). If an investment account has been opened provide the required documentation pursuant to the Delaware Local Rule 4001-3.		x

(1) Question 1: The sales of various practices closed during the period. See MOR-1 for a list of sales proceeds by practice.

(2) Question 2: Cash that is property of the Debtors is held in Amedco bank accounts.



IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE

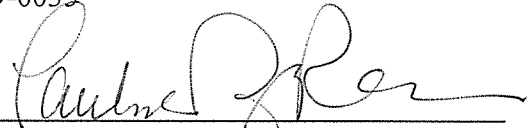
-----X  
 In re: : Chapter 11  
 :  
 MACKEYSER HOLDINGS, LLC, et al., : Case No. 14-11550 (CSS)  
 :  
 : Jointly Administered  
 Debtors. :  
 -----X

**AFFIDAVIT OF SERVICE**

STATE OF DELAWARE :  
 : SS  
 NEW CASTLE COUNTY :

Pauline Z. Ratkowiak, being duly sworn according to law, deposes and says that she is employed as a Paralegal at the law firm Cole, Schotz, Meisel, Forman & Leonard, P.A., and that on October 30, 2014, she caused a copy of the August 2014 Monthly Operating Report to be served via Hand Delivery on the following party:

Benjamin A. Hackman, Esquire  
 Office of the U.S. Trustee  
 Federal Building, Lockbox 35  
 844 King Street, Suite 2207  
 Wilmington, DE 19899-0035



Pauline Z. Ratkowiak, Paralegal  
 COLE, SCHOTZ, MEISEL,  
 FORMAN & LEONARD, P.A.  
 500 Delaware Avenue, Suite 1410  
 Wilmington, DE 19801

SWORN TO AND SUBSCRIBED  
before me this 30<sup>th</sup> day of October, 2014

  
 \_\_\_\_\_  
 NOTARY PUBLIC

**SUSAN L. WILLIAMS**  
 Notary Public State of Delaware  
 My Commission Expires August 13, 2017