

Appendix 4C

Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

Name of entity

MAYFIELD CHILDCARE LIMITED

ABN

53 604 970 390

Quarter ended ("current quarter")

30 September 2018

Consolidated statement of cash flows		Current quarter	Year to date
		\$A'000	(9 months) \$A'000
1. Cash flows from operating activities			
1.1 Receipts from customers		8,175	22,097
1.2 Payments for			
(a) research and development		-	-
(b) operating costs		(1,583)	(4,319)
(c) advertising and marketing		(25)	(68)
(d) leased assets		-	-
(e) staff costs		(5,475)	(14,301)
(f) administration and corporate costs		(194)	(515)
1.3 Dividends received (see note 3)		-	-
1.4 Interest received		-	-
1.5 Interest and other costs of finance paid		(141)	(348)
1.6 Income taxes paid		-	(1,387)
1.7 Government grants and tax incentives		-	-
1.8 Other		23	29
1.9 Net cash from / (used in) operating activities		780	1,188

2. Cash flows from investing activities			
2.1 Payments to acquire:			
(a) property, plant and equipment		(188)	(751)
(b) businesses (see item 10)		(4,487)	(6,508)
(c) investments		-	-

Consolidated statement of cash flows		Current quarter	Year to date (9 months)
		\$A'000	\$A'000
	(d) intellectual property	-	-
	(e) other non-current assets	-	-
2.2	Proceeds from disposal of:		
	(a) property, plant and equipment	-	9
	(b) businesses (see item 10)	-	514
	(c) investments	-	-
	(d) intellectual property	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other – Business acquisition and disposal costs	(6)	(72)
2.6	Net cash from / (used in) investing activities	(4,681)	(6,808)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	-	-
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	(5)
3.5	Proceeds from borrowings	4,500	6,800
3.6	Repayment of borrowings	(4)	(60)
3.7	Transaction costs related to loans and borrowings	(40)	(40)
3.8	Dividends paid	-	(1,279)
3.9	Other	-	-
3.10	Net cash from / (used in) financing activities	4,456	5,416

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of quarter/year to date	780	1,539
4.2	Net cash from / (used in) operating activities (item 1.9 above)	780	1,188
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(4,681)	(6,808)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	4,456	5,416

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of quarter	1,335	1,335

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	1,335	780
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,335	780

6. Payments to directors of the entity and their associates

	Current quarter \$A'000
6.1 Aggregate amount of payments to these parties included in item 1.2	109
6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

Item 6.1 - \$49K CEO Salary (including Super SG)
Item 6.1 - \$30K Directors' Fees (including Super SG)
Item 6.1 - \$30K Consultancy Fee (excl. GST)

7. Payments to related entities of the entity and their associates

	Current quarter \$A'000
7.1 Aggregate amount of payments to these parties included in item 1.2	-
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

Not applicable.

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	19,100	14,200
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

Loan 1: Westpac - Fixed Rate

\$7.4M facility - fully drawn. Interest and fees only. Expires 24 November 2019, with repayment in full unless amortised under a new arrangement (solely at Westpac's discretion). Fixed rate of 3.9%.

Loan 2: Westpac - Variable Rate

\$1.7M facility - \$0.9M drawn. Interest and fees only. Expires 24 November 2019, with repayment in full unless amortised under a new arrangement (solely at Westpac's discretion). Variable rate of 3.2832% at 30 September 2018.

Loan 3: Westpac - Variable Rate

\$10.0M facility - \$5.9M drawn. Interest and fees only. Expires 4 June 2020, with repayment in full unless amortised under a new arrangement (solely at Westpac's discretion). Variable rate of 3.3398% at 30 September 2018. Unused portion only available for future acquisitions and subject to meeting Westpac's lending criteria.

All three loans secured by: (i) General Security Agreement over all existing and future assets and undertakings; and (ii) Mortgages over the leases of childcare centres.

9. Estimated operating cash outflows for next quarter	\$A'000
9.1 Research and development	-
9.2 Operating costs	(1,650)
9.3 Advertising and marketing	(30)
9.4 Leased assets	-
9.5 Staff costs	(5,500)
9.6 Administration and corporate costs	(200)
9.7 Other (provide details if material)	-
9.8 Total estimated operating cash outflows	(7,380)

10.	Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	Acquisitions	Disposals
10.1	Name of entities/businesses	Developmental Learning Centre Rainbow (Moorabbin) & Community Kids Haven (Carrum Downs)	Not applicable
10.2	Place of incorporation or registration	Victoria	-
10.3	Consideration for acquisition or disposal	\$4.583M	-
10.4	Total net assets	\$4.583M	-
10.5	Nature of business	Long day childcare	-

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.



Sign here:
Director

Date: 23 October 2018

Print name: Dean Clarke

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.