

Appendix 4C

Quarterly report for entities admitted on the basis of commitments

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

Name of entity

MITCHELL SERVICES LIMITED

ABN

31 149 206 333

Quarter ended ("current quarter")

30 June 2014

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'000	Year to date (12 months) \$A'000
1.1	Receipts from customers	5,250	14,546
1.2	Payments for (a) staff costs	(1,765)	(6,116)
	(b) advertising and	-	(2)
	marketing		
	(c) research and	-	-
	development		
	(d) leased assets	-	-
	(e) other working capital	(4,199)	(10,144)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	-	-
1.5	Interest and other costs of finance paid	(172)	(663)
1.6	Income taxes paid	(51)	(134)
1.7	Other (WorkCover Refund)	-	311
	Net operating cash flows	(937)	(2,202)

As advised in the 31 March 2014 quarterly Appendix 4C report ramp up costs for a new long term project would also impact on the June 2014 quarter which did occur. That project is now generating positive cash flow with Group revenue increasing by 23% on the previous quarter. As advised in recent market releases the company has been awarded further new contracts which have had a negative impact on net operating cash flows due to ramp up costs and will also flow through to the September 2014 quarter however to some degree this will be offset once the projects become operational and cash flow positive.

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	Current quarter \$A'000	Year to date (12 months) \$A'000
1.8 Net operating cash flows (carried forward)	(937)	(2,202)
Cash flows related to investing activities		
1.9 Payment for acquisition of:		
(a) businesses (item 5)	-	2
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	-	-
(e) other non-current assets	(620)	(886)
1.10 Proceeds from disposal of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	-	-
(e) other non-current assets	291	982
1.11 Loans to other entities	-	-
1.12 Loans repaid by other entities	-	-
1.13 Other (provide details if material)	-	-
	(329)	98
Net investing cash flows		
1.14 Total operating and investing cash flows	(1,266)	(2,104)
Cash flows related to financing activities		
1.15 Proceeds from issues of shares, options, etc.	-	2,500
1.16 Payment for share issue costs	-	(215)
1.17 Proceeds from borrowings	620	1,890
1.18 Repayment of borrowings	(417)	(2,872)
1.19 Dividends paid	-	-
1.20 Other (provide details if material)	-	(1)
	203	1,302
Net financing cash flows		
Net increase (decrease) in cash held	(1,063)	(802)
1.21 Cash at beginning of quarter/year to date	(1,064)	(1,325)
1.22 Exchange rate adjustments to item 1.20	-	-
	(2,127)	(2,127)
1.23 Cash at end of quarter		

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Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

	Current quarter \$A'000
1.24 Aggregate amount of payments to the parties included in item 1.2	51
1.25 Aggregate amount of loans to the parties included in item 1.11	-
1.26 Explanation necessary for an understanding of the transactions	

Non-cash financing and investing activities

- 2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

- 2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

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Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	1,522	1,522
3.2 Credit standby arrangements	5,500	2,252

To support the current growth being experienced a new Credit Line of \$2m from a related party on commercial terms has been put in place. As at 30 June 2014 the facility was undrawn.

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Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter \$A'000	Previous quarter \$A'000
4.1	Cash on hand and at bank	125	317
4.2	Deposits at call	-	-
4.3	Bank overdraft	(2,252)	(1,381)
4.4	Other (provide details)	-	-
Total: cash at end of quarter (item 1.23)		(2,127)	(1,064)

Acquisitions and disposals of business entities

		Acquisitions (Item 1.9(a))	Disposals (Item 1.10(a))
5.1	Name of entity	-	-
5.2	Place of incorporation or registration	-	-
5.3	Consideration for acquisition or disposal	-	-
5.4	Total net assets	-	-
5.5	Nature of business	-	-

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:  Date: 23 July 2014
 (Company secretary)

Print name: Bob Witty

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