



**Mansfield Community  
Education Centre**

*Linking the Community Through Learning*



**MACE WELCOME:** Officially opening the doors of the new MACE building in High Street on December 22 were, from left, Robert Mitchell (MHR McEwen), Paul Sladdin, MACE chief executive officer, Bev Close MACE committee of management president and Maz Dowling, chairperson of Mansfield Community Bank.

# MACE still heart of the community

Big crowd at new building's official opening

MANSFIELD Community Education Centre (MACE) welcomed almost 100 guests on December 22 to officially open its new doors.

Robert Mitchell (MHR McEwen) had the honor of declaring the building open.

"MACE has been operating since 1975 and has provided so many opportunities for local and regional residents," Mr Mitchell said.

"MACE provides many locals great opportunities to further their education and skills base, provides essential childcare facilities, oversees the Mansfield Men's Shed, of which I am a great supporter, and equally importantly is a meeting point for residents both young and old."

Mr Mitchell said it was partly through Federal Government funding through the Teaching and

Learning Capital Fund for Vocational Education and Training that supported the project with a \$1.5 million grant.

"It was further supported through funding from the State Government's Modernising Neighbourhood Houses Program," he said.

"Places like MACE truly are the heart of communities and on behalf of the Gillard Government I want to thank everyone at MACE for their great work in assisting the community."

Mr Mitchell read a letter of congratulations from the Minister for Tertiary Education, Skills, Jobs and Workplace Relations, Senator Chris Evans.

President of the committee of management for MACE, Bev Close, thanked all board members over the past 35 years who es-

tablished the learning centre and contributed to what MACE has become today.

Chief executive officer, Paul Sladdin, outlined a brief history of MACE saying it was about 35 years ago that a group of residents got together and decided to form such an organisation.

He was very pleased to welcome two of those founding members, Diana Kilford and Betty Gerrish, to the opening.

"Little did they know that 35 years later this organisation would see some 50 people employed and contributing to the organisation and town's economy," Mr Sladdin said.

He thanked the many people involved in the planning, construction and outfitting of the building.

He acknowledged the work of

architect Tim Whitefield who had been on the project since its inception, and construction manager Jim Basham.

"Some 97 per cent of contractors were local," Mr Sladdin said.

He thanked both government bodies for their funding grants, the Mansfield Community Bank for its contribution to furnish the main conference room, the Mansfield Bush Market Committee, Mansfield U3A, Mansfield Garden Club and Mansfield Newspapers who all donated funds for this building.

He singled out the late Ian Crawford who he said single handedly gained the title to the land on which the building stands.

A former treasurer, Mr Crawford was also a great mentor to Mr Sladdin and pushed to have this new facility built before his death.

ANNUAL REPORT 2010

MACE is a community owned and managed incorporated association which encompasses a Registered Training Organisation, Early Childhood Education and Care Centre, Adult Community Education provider, Men's Shed, and a Neighbourhood House.

## Vision

Connecting the community by providing learning and development opportunities within a supportive, accessible and sustainable environment.

## Goals

- To promote, coordinate and/or conduct vocational education and training programs and encourage an interest in lifelong learning.
- To manage and operate a quality educational Children's Centre that meets the needs of the Community.
- To assist and encourage and, if necessary, auspice the development of new and existing community groups.
  - To provide opportunities to socialise, share and learn.
- To ensure a sustainable organisation through effective and responsive governance.
  - To foster a supportive work environment.

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Incorporation No: A0048770V  
ABN: 25 306 780 833  
Registered Training Organisation No: 3928  
Licensed Childcare Provider No: 9921

# President's Report

It is with great pleasure that I present this report.

Here we are in our brand new building at 145 -147 High Street and what a great facility it is. I wish to thank everyone who has been involved in the preparation and the building of this new facility - the Mansfield Community Education Centre.

2010 was a challenging year for the organisation as the Board undertook three major strategic reviews of its operations to prepare the organisation for the introduction of both state and federal government policy changes in the areas of Skills Reform and Early Childhood Education and care.

The first of these reviews was the organisational structure in the context of co-locating its training and community service operations in the new premises. The review resulted in the Board adopting a new organisational structure with the four distinct operational areas of Training Services, Community Services, Children's Services and Corporate Services. A redistribution of roles and responsibilities was undertaken with two new staffing positions created in the areas of Training Services and Community Services. The Board also adopted a new financial structure and reporting, in line with the new organisational structure.

The Board also reviewed its Children's Services provision in 2010. The introduction of the state and federal government's respective Early Years Learning Frameworks, the increasing demand for long day childcare, the cessation of federal funding for Occasional Childcare and the proposal for a private commercial childcare centre in Mansfield were issues that the Board analysed in its review. In response to the demand from the community for increased long day care and the cessation of Occasional Childcare funding, the Board merged its long day and occasional childcare services to create a single licence dual campus 50 place long day Early Childhood Education and Care Centre. To our staff at the Mansfield Cubby House I extend my thanks on behalf of the Board for all your work in undertaking this transition. The Board also supported the Mansfield Shire Council with its successful funding submission to construct a new Mansfield Family and Children's Centre.

The final review the Board undertook was the preparation and adoption of a new three year Strategic Plan. The previous strategic plan had been accomplished with the construction of the new facility and the transfer of its training and Neighbourhood House programs to the new premises.

The 2011 – 2013 Strategic Plan is focussed on growing the training opportunities for the Mansfield community and ensuring that community based not for profit early childhood education and care opportunities continue to be available and are fully resourced.

To Mrs Betty Allan and Donna Higgins who left our Board during the year, I thank them for their valuable contribution to MACE during their time as Board members.

I extend the Board's greatest thanks to our Chief Executive Officer Paul Sladdin and to our Office Manager Lorraine Bradshaw who ensured the smooth transition from temporary premises to the new facility.

It is with sadness that I leave the position of Chairperson of this Board of Management and I wish the incoming Board and the new executive all the best with the exciting challenges for MACE over the coming year.

**Bev Close**

*President*

# Chief Executive Officer's Report

2010 was a year that brought significant change to the organisation. Change that was of our own making and changes that were imposed upon us. I am pleased to report that these changes have been overwhelmingly positive and will position the organisation to play an increased role in the educational and community development of Mansfield.

The most obvious change was the construction of our new premises, the Mansfield Community Education Centre, which we took possession of in June. This modern facility is the result of many years of strategic planning and hard work undertaken by successive Boards of Management and staff members. The Australian Government, the Victorian Government and the Mansfield Community formed a partnership to provide the financial resources to support this strategic planning. The Australian Government was the major contributor through the 'Investing in Community Education and Training' program. The Victorian Government assisted with funding through the 'Modernising Neighbourhood Houses' program. Local financial contributions came from the Mansfield and District Community Bank, the Mansfield Bush Market, Mansfield U3A and the Mansfield Rotary Club. I wish to acknowledge the work of local builder Jim Basham whose construction company worked tirelessly to ensure the new facility was delivered on time and within budget.

Since its opening, the Mansfield Community Education Centre has become a hub for local, regional and state-wide community groups, organisations and businesses seeking a modern and flexible facility to conduct meetings, seminars and other events.

The new facility was the catalyst for change in many areas of the organisation's operations. These included:

- Implementation of a new organisational structure
- Implementation of new financial structure and reporting
- Adoption of new three year strategic plan
- Increasing our Scope of Registration from 15 to 53 nationally accredited qualifications
- Introduction of a new Student Management System
- Decision to introduce a Vocational Education and Training (VET) specific website in 2011

From January 1, 2011, state government changes to funding arrangements for training delivery will see Registered Training Organisations like MACE being paid through Skills Victoria based upon enrolment and successful completion of courses by eligible individuals. The changes listed above were made to position the organisation in preparation for the new funding arrangements, and with 2011 student enrolments at a record high level, these changes have been validated.

Our Children's Services operations were also subject to significant change in 2010 with the increasing demand for early childhood education services and the introduction of new Victorian Children's Services Regulations as well as the federal government's Early Years Learning Framework. In addition to these policy changes was the federal government's decision to cease funding for Occasional Childcare services. This resulted in the organisation merging its Long Day Care operations with its Take A Break Occasional Care program to form a 'single licence dual campus' Early Childhood Education and Care service. The positive result of this change was the increase in long day care places from 33 to 50 as well as the capacity to offer both morning and afternoon sessional care.

Substantial change also occurred in the organisation's staffing. In July we welcomed Graham Eddy to the newly created position of Training Services Manager. Graham has played a major role in the expansion of our accredited training delivery. The position of Community Services Co-ordinator was created and Elin Ree commenced in this role in early 2011. We farewellled Brooke Bradshaw who left us to take up a new role in Benalla. Brooke first came to us as a Trainee in 2003 and I thank her for her contribution to the organisation. We also farewellled Daryl Hunt and Cathy Woodward, both long term employees, and I thank them for their many years of service.

Financial changes occurred with the organisation's assets increasing from \$1.5 million to \$2.5 million, largely due to the new building, and the operating surplus for the year was \$76,361.38 which reflects the increase in training delivery.

I thank the Board of Management and the staff for their hard work and dedication throughout the year and to the staff and students for their patience during the temporary relocation while the new facility was under construction. I would especially like to thank outgoing President Bev Close for her stable leadership and also Lorraine Bradshaw for her personal support and for keeping me sane during the construction of the new facility.

Finally, I wish to acknowledge the financial assistance of the various state and federal government departments and the Mansfield and district community and businesses for their continued patronage.

**Paul Sladdin**

*Chief Executive Officer*

# Training Services

2010 was a very successful year for Mansfield Adult Continuing Education. Not only did we double the amount of student contact hours delivery compared with 2009, but we also tripled the number of enrolments. Our training statistics for 2010 were 50,268 student contact hours and 1684 enrolments. This is a remarkable achievement considering that during the first six months of the year training was being delivered in temporary venues.

MACE continued its involvement with the Hume Region Continuous Improvement Group (CIG) in 2010 via the Shared Services project. The project's aims were to develop and trial shared finance, human resources and data management services to improve business efficiency and increase organisational viability. Partners in this project were Euroa Community Education Centre, Berry Street Victoria, YNH Services —Yarrowonga, Cobram Community House, Shepparton Access and Continuing Education and Arts Centre Alexandra.

## Pre-Accredited Training

- Youth Engagement Program
- Adult Literacy
- Introduction to Information and Communications Technology
- Introduction to Carpentry
- Introduction to Welding

## Accredited Training

- Certificate I in Work Education
- Certificate II in Information Technology
- Certificate III in Children's Services
- Certificate III in Aged Care
- Certificate III in Home and Community Services
- Certificate IV in Training and Assessment

## Compliance Training

- First Aid
- Follow Workplace Hygiene procedures
- Implement Food Safety procedures
- Forklift Licence
- Responsible Serving of Alcohol
- Work Safely in the Construction Industry



## Victorian Registration and Qualifications Authority (VRQA) Re-Registration Audit

The VRQA is responsible for registering and regulating organisations in Victoria who wish to offer vocational education and training (VET) qualifications and courses. In 2010, Mansfield Adult Continuing Education successfully passed its re-registration audit by the VRQA.

## Changes to Scope of Registration

In August 2010 an application was placed with the VRQA to extend MACE's Scope of Registration. This application included courses in the following areas:

- Business
- Retail
- Hospitality
- Commercial Cookery
- Tourism
- Outdoor Recreation
- Community Services
- Financial Services



These changes were made following extensive consultation with local business in the Mansfield Shire to ensure we deliver the most relevant qualifications required for the local community.

Our new training facility combined with an extended scope of registration provides the community with increased training opportunities in 2011.



# Children's Services

2010 was an innovative and exciting year for the Mansfield Community Cubby House with many positive changes occurring for the families, children, Early Childhood Educators and community.

As the waiting list continued to grow and families struggled to find care for their children, the management team at MACE worked tirelessly with the Department of Education and Early Childhood Development to find an interim solution to cater to their needs.

The "Dual Campus" concept was born and consequently implemented in July. This saw the coming together of Early Childhood Educators, children, and families from both the Mansfield Community Cubby House and Take a Break Occasional Childcare. The additional campus created a further seventeen childcare places per day, with the capability to offer both full day and half day care for children, responding to the needs of the community.

In the meantime, much work was happening behind the scenes in planning, designing and securing funding for a new shared facility for Mansfield Community Cubby House and the Mansfield Shire Council's Family Services. It was announced in October that success had been achieved in securing \$1 million in funding towards this project. The buzz and excitement amongst the Early Childhood Educators and families has been rising!



The Mansfield Community Cubby House was proud to be selected by the Department of Education and Early Childhood Development to participate in the Coaching Program for the implementation of the Victorian Early Years Learning and Development Framework (VEYLDF). This program, sponsored by Lady Gowrie Victoria, has provided the service with a mentor for eighteen months and resources to put into practice the VEYLDF and assist in leading others in the industry. The Early Childhood Educators at the Mansfield Community Cubby House have been innovative, inspiring and creative in designing new practices and structures in the curriculum they provide.

Professional Development continued to be undertaken for Early Childhood Educators to further develop their knowledge and skills with the focus being on music and movement for children, along with an introduction to the National Quality Framework set to be implemented from January 2012.

We also congratulated Janice Smyth, Jade Madsen, Cassandra Williams and Katherine Carrington on achieving their qualification in the Diploma of Children's Services.

We would like to take this opportunity to thank Rachel Wadsworth for dedicating her time and skills as the parent representative on our MACE Board of Management for 2010.



# Community Services

In 2010 our Community Services programs successfully provided 11,972 hours of community strengthening in the planning, development and delivery of programs and activities. In addition to program planning and delivery our focus was on continuing to develop the co-location project plans for the Mansfield Community Education Centre. As mentioned elsewhere in this report the project began in 2008 with the funding of \$50,000 from the Department of Planning and Community Development's Modernising Neighbourhood Houses program. The realisation of the co-location project is a warmly welcomed achievement.

Highlights for the year were the establishment of the Mansfield Multicultural Group and the Capable and Cohesive Communities Training Program.

The Mansfield Multicultural Group was formed to raise awareness of multiculturalism in Mansfield and to celebrate cultural diversity. The group celebrated various National Days as well as holding regular information evenings for new arrivals.

The Community Training program is a partnership between Mansfield Shire Council, Department of Planning and Community Development and MACE to deliver training to local community groups. This two year project is intended to enable community members to develop the skills and knowledge to effectively manage their community groups and to initiate and implement projects. These sessions were extremely popular with in excess of thirty community groups participating. Topics covered included the following:

- Grant Writing
- Governance
- Financial Management
- Strategic Planning
- Business Planning
- Project Management

MACE was involved as a strategic partner with Mansfield Shire Council in community planning projects throughout the year including the following:

- Mansfield Family and Children's Centre Project Control Group
- Better Communities for Children Steering Committee
- Municipal Public Health and Wellbeing Plan
- Mansfield Shire Youth Charter Community Partnerships
- Connected and Capable Communities Project Co-ordination Group

## Programs and Activities

- Adult Literacy
- Asian Sampler
- Bridge Club
- Bee Keeping

- Capable & Cohesive Communities Training
- Cheese Making
- Cooking for Men
- How to Read Music
- The Greek Kitchen
- Indian Cookery
- Introduction to ICT
- Job Search
- Lifeball
- Line Dancing
- Mansfield Multicultural Group
- Mediterranean Cookery
- Middle Eastern Cookery
- Patchwork and Quilting
- Senior's Bowls and Cards
- Seniors Lunches
- Social Badminton
- Social Table Tennis
- Spanish Conversation
- Take A Break Occasional Childcare
- Tax Help
- Trim and Toning
- University of the Third Age – U3A
- Youth Theatre Works

## Men's Shed Programs

- Carpentry
- Welding/Machining
- Home Brewing
- Secret Men's Business
- Youth Engagement
- Introduction to fine woodworking
- Furniture Restoration

## Playgroup

The Neighbourhood House Playgroup had a successful year with 21 families and their 34 children participating in the weekly program. Our gratitude is extended to the dedicated volunteer families who co-ordinated the group especially Dee Clarke for her leadership.

## Centrelink Agency

2010 witnessed the Agency's ninth year of providing Centrelink access for the Mansfield community. A total of 5,129 client enquiries were processed throughout the year. The new premises offer customers an expanded self service area and increased privacy.

Funding assistance continued to be received from the Department of Planning and Community Development via the Neighbourhood House Co-ordination Program.



# Corporate Services

Significant changes in 2010 included the following:

## Facilities

New premises for the organisation were completed in June 2010. The premises allow the organisation to provide its Training Services and Community Services delivery from a single site.

The construction of the new premises has provided the organisation with a modern facility to expand its Vocational Education Training (VET) delivery as well as increasing utilisation by the wider community.

## Organisational restructure

A new simple and transparent organisational structure was implemented which comprises the following business units:

- Training Services covering Skills Victoria; Adult, Community and Further Education (ACFE) ; and Fee for Service
- Community Services covering Neighbourhood House, Centrelink and Men's Shed
- Children's Services covering Early Childhood Education and Care
- Corporate Services covering administration, finance, HR and facilities

New roles and responsibilities for the management/co-ordination of each unit were developed and implemented.

## Industrial Relations

The Board of Management and staff agreed to sign up to the Neighbourhood House and Adult Community Education Centres (NHACE) Collective Agreement 2010. This agreement covers all staff employed by the organisation in place of the previous separate three industrial awards.

## Administration

In line with the expanded range of VET provision being offered by the organisation, we purchased a new Student Management System to cater for the increased enrolments. The new system allows for increased student administration efficiency as well as the capability for both students and employers to easily access training progress.

A decision was made to introduce a new Registered Training Organisation specific website which is planned to be operational in mid-2011.

## Finance

The Board of Management implemented the new Victorian Standard Chart of Accounts (SCOA) in July 2010.

The Victorian SCOA is a Victorian Government initiative coordinated by the Office for the Community Sector that aims to reduce administrative burden for non-profit community organisations that receive funding from Victorian State Government departments and agencies.

2010 was a positive financial year for the organisation resulting in a \$76,361.38 operating surplus and our total fixed assets increased from \$1.02 million to \$2.3 million.



# Snap shot of New Building



**MACE INC**  
**25 306 780 833**

**PROFIT AND LOSS STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2010**

	Note	This Year \$	Last Year \$
<b>INCOME</b>			
Interest Received	5	14,737.89	4,085.76
Centrelink		35,509.02	32,930.35
Decrease in Provisions		-	1,819.20
Donations		17,729.45	451.00
Fees	2	683,161.95	601,979.33
Fundraising		341.00	2,618.00
Grants - DPCD	3	398,557.93	181,631.75
Grants - Other	4	935,341.73	641,972.40
Hire of Equipment		2,649.88	5,675.79
Management Fee		1,491.44	25,859.09
Rental Income		18,835.37	33,097.31
Salary Reimbursement		9,901.02	19,524.73
Sundry Income		3,775.96	3,703.69
Loss on Disposal of Non-current Assets		(2,284.73)	(30,544.00)
		<u>2,119,747.91</u>	<u>1,524,804.40</u>

The accompanying notes form part of these financial statements.

**MACE INC**  
**25 306 780 833**

**PROFIT AND LOSS STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2010**

	Note	This Year \$	Last Year \$
<b>EXPENSES</b>			
Accountancy Fees		9,088.44	7,581.15
ACFE Expenses	6	2,000.00	11,270.62
Advertising & Promotion		13,499.83	7,803.61
Amenities		1,074.29	2,566.22
Amenities - Children		14,231.29	12,983.27
Annual Leave & Leave Loading		-	11,163.60
Audit Fee		3,959.10	2,500.00
Bank Charges		3,038.76	3,161.92
Brochure		10,734.52	10,375.35
Cleaning		24,186.41	28,826.84
Community Shed Expenses		-	1,329.90
Computer Maintenance		2,769.41	1,247.18
Conferences & Seminars		1,212.49	-
Consultancy Fees		16,756.82	-
Course Materials		20,518.96	10,423.12
Depreciation		38,170.00	44,192.00
Equipment Maintenance		5,510.48	6,384.85
Freight & Cartage		657.69	198.00
Fringe Benefits Tax		488.68	705.82
Fundraising Expenses		390.00	3,560.20
Grants Expenditure	7	17,724.59	32,758.81
Hire of Venues		3,103.47	2,327.49
Insurance		8,008.41	4,751.19
Internet Access		1,150.11	757.17
Interest Paid		7,480.45	7,590.41
Legal & Registration Fees		2,087.56	2,302.25
Meeting Expenses		398.69	697.61
Motor Vehicle Expenses		9,140.19	6,274.35
Office Supplies & Equipment		9,919.71	6,686.62
Postage		914.42	1,543.23
Power & Heating		11,520.15	11,343.07
Property Repairs & Maintenance		18,331.29	11,335.91
Rates		2,808.60	4,734.55
Refund - Returning to Earning Grant		14,715.00	-
Rent - Photocopier		7,956.00	8,619.00
Salaries & Wages		672,017.19	588,598.02
Security Costs		-	700.00
Software Purchases		10,684.50	62.00
Staff Training & Development		2,726.28	4,199.96

The accompanying notes form part of these financial statements.

**MACE INC**  
**25 306 780 833**

**PROFIT AND LOSS STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2010**

	Note	This Year \$	Last Year \$
Subscriptions		2,070.22	1,588.08
Sundry Expenses		872.16	595.83
Superannuation Contributions		59,245.22	53,056.34
Telephone & Internet		8,138.44	11,085.26
Travelling Expenses		673.48	148.88
Tutors	8	96,479.30	91,506.05
Uniforms		-	4,187.65
Workcover		10,704.97	10,990.88
		<u>1,147,157.57</u>	<u>1,034,714.26</u>
<b>Profit</b>		<u>972,590.34</u>	<u>490,090.14</u>
Retained earnings at the beginning of the financial year		<u>904,079.30</u>	<u>413,989.16</u>
<b>Total available for appropriation</b>		<u>1,876,669.64</u>	<u>904,079.30</u>
<b>Retained earnings at the end of the financial year</b>		<u>1,876,669.64</u>	<u>904,079.30</u>

The accompanying notes form part of these financial statements.

**MACE INC**  
**25 306 780 833**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2010**

**EQUITY**

Asset Revaluation Reserve	9	411,481.00	411,481.00
Unappropriated Profit		<u>1,876,669.64</u>	<u>904,079.30</u>

**TOTAL EQUITY**

<u>2,288,150.64</u>	<u>1,315,560.30</u>
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**Represented by:**

**CURRENT ASSETS**

Cash on Hand	2,154.76	3,898.51
MACE Building Account	1.40	473,631.65
Mansfield Community Bank	10,000.00	10,000.00
Term Deposit	100,000.00	-
Bendigo Bank Cheque Account	94,088.32	32,808.07
Bendigo Bank Cash Management Account	18.23	45.19
Trade Debtors	10,211.70	15,685.00
Delatite Foundation	<u>4,500.50</u>	<u>4,500.50</u>
<b>TOTAL CURRENT ASSETS</b>	<u>220,974.91</u>	<u>540,568.92</u>

**NON CURRENT ASSETS**

Fixed Assets		
Land - at Valuation December 2009	649,500.00	649,500.00
Buildings High Street - at Cost	<u>1,472,330.76</u>	<u>172,687.42</u>
	2,121,830.76	822,187.42
Buildings - at Cost	181,529.34	181,529.34
Less: Accumulated Depreciation	<u>(41,629.00)</u>	<u>(32,552.00)</u>
	139,900.34	148,977.34
Plant, Equipment & Vehicles - at Cost	223,568.56	208,835.01
Less: Accumulated Depreciation	<u>(175,323.00)</u>	<u>(157,133.00)</u>
	48,245.56	51,702.01
<b>Total Fixed Assets</b>	<u>2,309,976.66</u>	<u>1,022,866.77</u>
<b>TOTAL NON CURRENT ASSETS</b>	<u>2,309,976.66</u>	<u>1,022,866.77</u>
<b>TOTAL ASSETS</b>	<u>2,530,951.57</u>	<u>1,563,435.69</u>

**MACE INC**  
**25 306 780 833**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2010**

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**CURRENT LIABILITIES**

Sundry Creditors	23,892.88	13,706.20
Payroll Liabilities	19,890.60	4,861.30
GST Payable	3,118.48	44,623.95
Provision for Annual Leave	51,825.69	49,424.00
Provision for Long Service Leave	20,780.37	21,562.92
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	119,508.02	134,178.37

**NON-CURRENT LIABILITIES**

Suncorp-Metway Chattel Mortgage	-	6,340.80
Less Unexpired Terms Charges	-	(1,026.90)
Mansfield & District Community Bank Chattel Mortgage	24,959.82	-
Less Unexpired Hire Purchase Liability	(5,087.11)	-
Bendigo Bank Mortgage Loan	69,095.29	71,367.42
Bendigo Bank Mortgage Loan	34,324.91	37,015.70
	<hr/>	<hr/>
	123,292.91	113,697.02

**TOTAL LIABILITIES**

	<hr/>	<hr/>
	242,800.93	247,875.39

**NET ASSETS**

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	2,288,150.64	1,315,560.30

**MACE INC**  
**25 306 780 833**

**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 DECEMBER 2010**

	Note	Retained earnings \$	Asset Revaluation Reserve \$	Total \$
<b>Balance at 1 January 2009</b>		413,989	221,187	635,176
Movement 1			190,294	190,294
Profit attributable to members		490,090		490,090
<b>Balance at 31 December 2009</b>		<u>904,079</u>	<u>411,481</u>	<u>1,315,560</u>
Profit attributable to members		972,590		972,590
<b>Balance at 31 December 2010</b>		<u>1,876,670</u>	<u>411,481</u>	<u>2,288,151</u>

The accompanying notes form part of these financial statements.

**MACE INC**  
**25 306 780 833**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2010**

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**1 Statement of Significant Accounting Policies**

The financial statements cover MACE INC as an individual entity. MACE INC is an association incorporated in under the Associations Incorporation Act .

**Basis of Preparation**

The financial statements are general purpose financial statements that have been prepared in accordance with Accounting Standards, Australian Accounting Interpretations and the Associations Incorporation Act .

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial statements containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

**Accounting Policies**

**Property, Plant and Equipment**

Each class of property, plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

**MACE INC**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2010**

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**Plant and equipment**

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets' employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

The cost of fixed assets constructed within the association includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the association and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

**Depreciation**

The depreciable amount of all fixed assets including building and capitalised lease assets is depreciated on a straight-line basis over the asset

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at the end of the reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of comprehensive income. When revalued assets are sold, amounts included in the revaluation relating to that asset are transferred to retained earnings.

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**Leases**

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset (but not the legal ownership) are transferred to the association, are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight-line basis over their estimated useful lives where it is likely that the association will obtain ownership of the asset or over the lease term.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

**Financial Instruments**

**Initial Recognition and Measurement**

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the association commits itself to either purchase or sell the asset (ie trade date accounting adopted).

Financial instruments are initially measured at fair value plus transactions costs except where the instrument is classified 'at fair value through profit or loss' in which case transaction costs are expenses to profit or loss immediately.

**Impairment of Assets**

At the end of each reporting period, the association assesses whether there is any indication that an asset may be impaired. The assessment will include considering external and internal sources of information. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of comprehensive income.

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**NOTES TO THE FINANCIAL STATEMENTS**  
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Where it is not possible to estimate the recoverable amount of an individual asset, the association estimates the recoverable amount of the cash-generating unit to which the asset belongs.

**Employee Benefits**

Provision is made for the association's liability for employee benefits arising from services rendered by employees at the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs.

Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements. Those cash outflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

**Provisions**

Provisions are recognised when the association has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

**Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

**Revenue and Other Income**

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. Any consideration deferred is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument.

**MACE INC**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2010**

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Revenue from the provision of membership subscriptions is recognised on a straight line basis over the financial year.

**Trade and Other Payables**

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the association during the reporting period, which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of liability.

**Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

**Comparative Figures**

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

**MACE INC**  
**25 306 780 833**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2010**

		This Year	Last Year
		\$	\$
<b>2</b>	<b>Fees</b>		
	Course Fees	99,045.90	120,176.80
	Mansfield Community Cubby House	557,524.05	439,464.03
	Mansfield Take a Break Childcare	26,592.00	42,338.50
		683,161.95	601,979.33
<b>3</b>	<b>Grants - DPCD</b>		
	ACFE Delivery	265,655.20	117,019.00
	ACFE Delivery Support	2,000.00	4,000.00
	ACFE State Equipment Grant	845.00	7,118.00
	Commonwealth Equipment Grant	1,795.00	2,500.00
	Modernising Neighborhood House Program	13,583.00	-
	Neighborhood House Co-ordination	53,534.50	39,444.75
	Reimbursement of Fee Concessions	3,780.00	6,650.00
	Modernising Neighborhood House Program Round 3	-	4,900.00
	Skills Victoria	52,365.23	-
	Other	5,000.00	-
		398,557.93	181,631.75
<b>4</b>	<b>Grants - Other</b>		
	FAHCSIA Sustainability	33,166.00	33,628.11
	DEEWR ICET	896,228.96	597,877.60
	Department of Education & Early Childhood Development	1,352.11	10,466.69
	TAB	4,594.66	-
		935,341.73	641,972.40
<b>5</b>	<b>Interest Received</b>		
	Other Corporations	14,737.89	4,085.76
		14,737.89	4,085.76

<b>6</b>	<b>ACFE Expenses</b>		
	Delivery Support	2,000.00	4,000.00
	State Equipment Grant	-	7,270.62
		<u>2,000.00</u>	<u>11,270.62</u>
<b>7</b>	<b>Grants Expenditure</b>		
	Commonwealth Equipment Grant	2,297.09	2,786.00
	Modernising Neighborhood House	14,850.00	18,588.97
	Modernising Neighborhood Round 3	-	6,130.20
	Modernising Neighborhood House ICT	577.50	3,343.64
	Returning to Earning	-	1,910.00
		<u>17,724.59</u>	<u>32,758.81</u>
<b>8</b>	<b>Tutors</b>		
	Contract Tutors	76,154.09	70,417.65
	Professional Development	350.00	-
	Salaried Tutors	19,551.71	20,968.40
	Travel Costs	423.50	120.00
		<u>96,479.30</u>	<u>91,506.05</u>
<b>9</b>	<b>Asset Revaluation Reserve</b>		
	Opening Balance for the year	411,481.00	221,187.00
	Movement 1	-	190,294.00
		<u>411,481.00</u>	<u>411,481.00</u>

## 10 Interest Bearing Liabilities

### (a) Total non-current liabilities

Suncorp-Metway Chattel Mortgage		6,340.80
Less Unexpired Terms Charges		(1,026.90)
Mansfield & District Community Bank Chattel Mortgage	24,959.82	
Less Unexpired Terms Charges	(5,087.11)	
Bendigo Bank Mortgage Loan	69,095.29	71,367.42
Bendigo Bank Mortgage Loan	34,324.91	37,015.70

(b) The bank loans are secured by a registered first mortgage over the freehold property of the Association. The chattel mortgage is secured by the asset.

(c) The carrying amount of the non-current assets pledged as security are:

Freehold Land & Buildings	2,121,830.76	822,187.42
Toyota Aurion	27,263.00	15,921.00

## 11 Mansfield Community Education Centre

The Net Profit of the Association includes grant monies of \$896,228.96 received for the construction of the new Mansfield Community Education Centre. The expenditure of this grant was capitalised. Construction was completed in June 2010.

**MACE INC**  
**25 306 780 833**

**STATEMENT BY MEMBERS OF THE COMMITTEE**

In the opinion of the committee the financial report

1. Presents fairly the financial position of MACE INC as at 31 December 2010 and its performance for the year ended on that date in accordance with Australian Accounting Standards, mandatory professional reporting requirements and other authoritative pronouncements of the Australian Accounting Standards Board.
2. At the date of this statement, there are reasonable grounds to believe that MACE INC will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the Committee and is signed for and on behalf of the Committee by:

**President:** *B.J. Close*  
Beverly Close

**Vice President** *G. Corless*  
Graham Corless

**Dated this 24<sup>th</sup> day of May 2011**

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF MACE INC  
25 306 780 833**

**Report on the Financial Report**

I have audited the accompanying financial report of MACE INC (the association) which comprises the statement of financial position as at 31 December 2010 and the statement of comprehensive income for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the statement by members of the committee.

**Committee's Responsibility for the Financial Report**

The committee of the association is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the Associations Incorporation Act. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

**Auditor's Responsibility**

My responsibility is to express an opinion on the financial report based on my audit. I conducted my audit in accordance with Australian Auditing Standards. These Auditing Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee, as well as evaluating the overall presentation of the financial report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

**Independence**

In conducting my audit, I have complied with the independence requirements of Australian professional ethical pronouncements.

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF MACE INC  
25 306 780 833**

**Auditor's Opinion**

In my opinion:

The financial report of MACE INC is in accordance with the Associations Incorporation Act including:

- (i) giving a true and fair view of the Association's financial position as at 31 December 2010 and of their performance and cash flows for the year ended on that date; and
- (ii) complying with the Australian Accounting Standards (including Australian Accounting Interpretations) and the Associations Incorporation Act.

**Name of Firm:** RN Black & Co  
Chartered Accountants

**Name of Principal:** R N Black  
Ronald N Black

**Address:** 64 High Street Mansfield VIC 3722

**Dated this 24<sup>th</sup> day of May 2011**

# Board of Management 2010

Bev Close	President
Graham Corless	Vice President
Anne Reid	Treasurer
Alison Mackenzie	Secretary
Joyanne Sagers	
Joan Tie	
Sandra Corpe	
Robert Allan	
Gregory Gleich	
Debbie Roberts	
Rachel Wadsworth	(from April)
Donna Higgins	(resigned April)
Elizabeth Allan	(resigned December)

## Staff 2010

Paul Sladdin	Chief Executive Officer	Full-Time
Nicole Lovett	Children Services Manager	Part-Time
Graham Eddy (appointed July)	Training Services Manager	Full Time
Lorraine Bradshaw	Administration	Full-Time
Brooke Bradshaw (departed December)	Administration	Full-Time
Daryl Hunt (departed July)	Administration Support	Part-Time
Kim Harrison-Hinves (appointed June)	Accounts	Part-Time
Selvana Massood-Gallagher (departed May)	Accounts	Part-Time
Arwen Hannaford	Qualified Early Childhood Educator	Full-Time
Ashley Mackenzie	Qualified Early Childhood Educator	Full-Time
Cassandra Williams	Qualified Early Childhood Educator	Full-Time
Janice Smyth	Qualified Early Childhood Educator	Part-Time
Rose Bajada	Qualified Early Childhood Educator	Part-Time
Katherine Carrington	Qualified Early Childhood Educator	Part-Time
Angela Desmond	Qualified Early Childhood Educator	Part-Time
Jade Madsen	Qualified Early Childhood Educator	Part-Time
Rachel Devere	Qualified Early Childhood Educator	Part-Time
Cathy Woodward (departed July)	Qualified Early Childhood Educator	Part-Time
Caitlin Armstrong	Early Childhood Educator	Full-Time
Jasmine Fry	Early Childhood Educator	Full-Time
Renee Bradshaw	Early Childhood Educator	Full-Time
Tegan Martin	Early Childhood Educator	Full-Time
Frances Maclsaac	Early Childhood Educator	Part-Time
Carol Guy	Early Childhood Educator	Part-Time
Jenny Gleeson	Early Childhood Educator	Part-Time
Kasey Cushway-Coates	Early Childhood Educator	Casual
Sarah Clarke	Early Childhood Educator	Casual
Patricia Snell	Early Childhood Educator	Casual
Sophie Brodley (departed December)	Administration	Part-Time



Mansfield Community Education Centre

Linking the Community Through Learning

