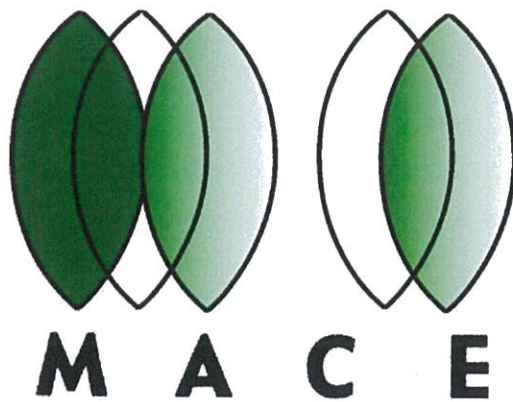




**Mansfield Community
Education Centre**

Linking the Community Through Learning

2014



ANNUAL REPORT

MACE is a community owned and managed incorporated association which encompasses a Learn Local Education provider; a Registered Training Organisation; a Neighbourhood House; and an Early Childhood Education and Care Centre.

Vision

Linking the Community through Learning

Mission

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

Goals

- To promote, coordinate and/or conduct quality 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 ensure a sustainable organisation through effective and responsive governance.
- To provide opportunities to socialise, share and learn.
- To assist and encourage and, if necessary, auspice the development of new and existing community groups.
- To foster a supportive and productive work environment.

MACE Incorporated
145 - 147 High Street Mansfield Vic 3722
Ph: (03) 5775 2077 Fax: (03) 5775 2836
Email: contact@mace.vic.edu.au Web Page: www.mace.vic.edu.au
Incorporation No: A0048770V
ABN: 25 306 780 833
Registered Training Organisation No: 3928
Licensed Childcare Provider No: 9921

Photographic acknowledgement: MACE thanks the Mansfield Courier for permission to re-print photographs in this Annual Report

2014 snapshot

- 1654 program/activity sessions
- 1033 students enrolled
- 58% female, 42% male
- 33% under 25 years of age
- 26% aged between 25 and 45 years of age
- 41% aged 45 plus
- 81 age of eldest graduate
- 864 volunteer hours
- 290 (average) people accessed MACE facilities per week
- 63 community group collaborations
- 19 external community groups/organisations/businesses utilised MACE facilities per month
- 17 external groups MACE represented on

President's Report

The reporting period of January to December 2014 presented a number of students studying in a variety of courses from human interest through to Diploma's leading into Associate Degrees at Swinburne University with the opportunity to move onto an under graduate degree course.

This innovative pilot program called 'UNI4U' offered rural students the opportunity and gateway into tertiary studies allowing them to remain in their hometowns for the first stages of study.

Learn Local Institutions such as MACE are a vital element in thriving rural communities with Mansfield being a town catering to a huge tourist population twelve months of the year which presents opportunities for residents young and old to become involved in lifelong learning with MACE offering a diverse range of courses to allow residents to gain qualifications in areas that service our many visitors needs. Whilst gaining life skills, that will enhance their ability to deal with a changing world.

As MACE enters its 40th.year of operations in 2015 it has faced the ever changing and challenging compliance issues around delivering accredited courses that provide qualifications to students in order to either gain employment or enhance their opportunities for promotion. In these challenging times of government regulation MACE has worked hard and spent considerable resources on improving all areas of compliance and reporting whilst appointing new management staff to implement these changes that will see positive results into our 40th year.

I would like to take this opportunity to thank retiring board members, Joy Sagers, Mary Harrington and Haley Tudor-Harrop for their input during their time on the board, whilst I also acknowledge the dedication and hard work put in by all the board members over the past twelve months whilst remembering that all its members are volunteers offering their time and expertise.

My thanks also to the dedicated management and staff, for their hard work and for putting in above and beyond. It has been a great effort that is truly appreciated by the board.

I have a strong feeling of optimism for the future and look forward to the challenges ahead.

Ross Martin

President

Chief Executive Officer's Report

2014 was a year where the organisation experienced success and faced many challenges.

Success came in the form of more than 1000 student enrolments, our Childcare operation attaining an overall 'Exceeding National Quality Standards' rating and a seamless transition to new premises, our award winning Uni4U project concluding with higher than expected participation, re-registration with our regulatory body, and strategic alliances formed to explore a new Learn Local business model.

Challenges in the area of compliance and reporting, a downturn in the training market, issues with an outsource partner, and staff changes placed enormous pressure on the organisation's human and financial resources.

The combination of staff resilience and a strong balance sheet enabled MACE to enter its 40th year of operation with a sense of optimism. However the challenge of sustainability remains for the organisation as it does for all regionally based Learn Local providers. As I write this report the Victorian Vocational Education and Training (VET) sector awaits the outcome of yet another government VET review.

Learn Local organisations such as MACE play an essential role in a thriving community; they must be supported and encouraged to ensure the provision of a full range of learning opportunities continues to be accessible and relevant to regional and rural communities.

State government support for MACE continued under funding programs of the Department of Human Services, the Department of Education and Early Childhood Development, and the Adult Community and Further Education Board.

Finally I acknowledge and thank the staff of MACE for rising to the many challenges that 2014 brought and to the Board of Management for their leadership, wisdom and support.

Paul Sladdin

Chief Executive Officer

2014 Programs

Accredited training

A total of 921 students undertook accredited training with MACE in 2014. The majority of these students, 607, successfully completed compliance training in a range of areas including First Aid, Responsible Service of Alcohol, Food Safety, Work Safety and Farm Chemicals.

The 314 remaining students successfully completed training in Certificate II level courses through to Diploma level with the most popular being in the areas of Business, Community Services work and Training and Assessment. Other popular courses included Accounting, Hospitality, Outdoor Recreation and Information Technology.

The award winning Uni4U Swinburne University regional partnership project concluded with 139 students participating.

One factor which impacted on processes and continuous improvement in the accredited training program in 2014 was the Victorian Registration and Qualifications Authority (VRQA) re-registration audit, which required significant resource development in the latter half of 2014. MACE achieved its re-registration with the VRQA and is registered until 2019.

The other major impact on MACE resources was the time dedicated to the areas of compliance and reporting against the Victorian Training Guarantee. The increased compliance regime is a major issue for all Registered Training Organisations and particularly smaller regionally based organisations.

The development of skills directly related to the workplace is important however learning is also about broadening experience and thinking and the development of curiosity and innovation which can be overlooked in the process of accredited training.

Learn Local programs

These programs are designed to help learners gain the confidence and skills needed to look for a job or go on to further study. They include courses in communication, job search skills, getting ready to go back to work and literacy and numeracy. To deliver pre-accredited training, MACE is registered with the Adult, Community and Further Education (ACFE) Board. The quality and structure of all pre-accredited programs is regularly reviewed by the ACFE Board.

In 2014, 112 students undertook pre-accredited training with the major areas being:

- Lifeskills for people with a disability
- Adult Literacy and Numeracy
- Introduction to Computers using Intel Easy Steps
- Introduction to Welding

Community Services Accredited Training Delivery and Team

MACE Community Services provides quality, accredited training delivery with dedicated and experienced trainers and staff. A broad framework of philosophies and theories is utilised to provide knowledge and unique learning opportunities and pathways for students.

The training team mentored and motivated students to achieve positive results in Youth, Disability, Aged Care, Children's and Community Services qualifications.

Managing a team of trainers who value what students bring to their own learning ensures a creative and productive environment for development, and we applaud all participants engaged in the training program at MACE.

Some 2014 achievements include:

- Completion of academic training for Nth Shepparton, Baranduda, Violet Town, Cobram, Mansfield, Flowerdale and Werribee groups.
- In addition to usual delivery, Trainer Jane Taylor facilitated the Mansfield Diploma of Community Services Work student's involvement in the IDPwD exhibition.
- Trainer Michelle Harmer guided the Cobram Diploma of Community Services Work students who facilitated the ICE forum.
- Jackie Cesnik joined the team and commenced delivery for the new Felltimber Diploma of Community Services Work group, and trained in Beechworth, Violet Town and Mansfield.
- Michelle Harmer delivered the Youth Cert IV for distance education students and in Mansfield, and developed new course material.
- Bianca Sheeran contributed significantly to training and development in the upgraded First Aid qualifications for relevant Community Services courses in Mansfield, in addition to other groups.
- Jen Peat successfully delivered training to dual Aged Care and Home and Community Care cohorts in Mansfield.
- Sharron Gallagher's experience in the disability field has been well-utilised and appreciated in several qualifications in Mansfield, Alexandra, Whittlesea, and with the Flowerdale student group.
- Ann- Maree Playfair contributed regularly to Diploma of Community Services Work students in the specialist business area, and her knowledge and approach were of great benefit.
- Anne Arbuthnot mentored Uni4U students in literacy development across the Hume region, both on site and electronically, and was highly valued by the students she worked with.

We thank our trainers for their diversity, competence and ability to provide informed and flexible delivery to a wide range of students in rural and regional centres.

Local Government Partnership

MACE collaborates as a strategic partner with Mansfield Shire Council in community planning and other projects throughout the year including:

- Central Hume Primary Care Partnership – Mansfield (PCP)
- Mansfield Family and Children's Centre Project Control Group
- Better Communities for Children Steering Committee
- Student training placements
- Mansfield Shire Youth Charter Community Partnerships
- MYSPN steering committee

- Municipal Public Health and Wellbeing Plan
- YEP program Steering Committee

Community Partnerships

Flexible and responsive training under the 2014 Diploma of Community Services Work/Uni4U program continues to enable MACE students to be integrally involved in planning and convening well attended public forums, with local communities. In 2014, these programs contributed to local community development:

Mansfield: International Day of People with Disability (IDPwD) exhibition.

In collaboration with Mansfield Shire Council and Mansfield Support Group for Children with Special Needs (MSGCSN), our students convened an activity to celebrate goals realized by people with disabilities or additional needs. In December, a special exhibition of mixed media by children and adults was organised at a variety of premises around the township of Mansfield. The exhibition coincided with IDPwD, a United Nations sanctioned day which aims to promote an understanding of people with disability and encourage support for their dignity, rights and well-being.



MACE Cobram Diploma of Community Services Work group with ICE panel participants

Cobram: Ice (Crystal Methamphetamine) forum.

Our Diploma students initiated an ICE forum in April at the Cobram Civic Centre to raise public awareness about the use and effects of Ice. The forum was planned, implemented and evaluated by MACE Cobram students, and focussed on facilitating constructive approaches - addressing the critical effects of Ice on individuals, carer families and the wider community, particularly in regional towns. Overviews were provided by Police, Ambulance,

The Centre and Local Government. Input was provided by specialists in the fields of Drug and Alcohol, Youth, Residential Rehabilitation, Mental and Community Health. Individuals and family members affected by ICE also contributed their experiences of Ice addiction. The MP for Murray Valley represented the Victorian Parliamentary committee leading the state wide drug use inquiry, via public and private hearings. His findings were highlighted, and aspects echoed the experiences of audience members and local residents.

The forum was attended by more than 140 residents from Cobram and the surrounding district, and acted as a catalyst, linking local residents with community support services and their representatives based or co-located in Cobram. A question and answer session between panel members and the community was well utilised, and information flyers were provided. Media interest assisted in promoting the event, and communicating important messages.

Celebrating MACE graduates

A graduation ceremony was held at MACE in June 2014 for new graduates and their families, in a range of qualifications from Certificate 1 to Diploma level. These were awarded in Hospitality, Information Technology, Aged Care, HACC, Youth Work, Business and Community Services Work.

Graduation is an important milestone for students, and convening a ceremony at MACE enables our students to celebrate with family and friends their successful achievements in gaining tertiary qualifications.

A recent graduate was clearly delighted in the development of her competencies. She stated: *I am so excited about completing my course. It took a lot of effort, and it was worth it – especially to be able to wear the graduation gown! Now I would like to go on and do further study, because I know I can achieve, and I want to gain more skills.*



2014 MACE Graduates

Neighbourhood House

MACE Neighbourhood House is a member of the Association of Neighbourhood Houses and Learning Centres (ANHLC) and the Goulburn North East Association of Community Centres (GNEACC), and provided a wide range of services in 2014 to facilitate community connections which promote independence, choice and inclusion.

MACE Neighbourhood House offered many diverse and inclusive programs totalling 12,000 activity hours in 2014, including:

- Basic & Advanced Photoshop
- Basic Coffee Course
- Bee keeping
- Broadband for Seniors
- Camera Club
- Digital Literacy for Seniors
- Digital Photography
- English Tuition
- e-Solutions
- Experience Cross Country Skiing
- Introduction to MYOB
- Introduction to MYOB Payroll
- iPad/iPhone for beginners
- Lifeball
- Line Dancing
- Local Blokes Living with Depression
- Local Gals Living with Depression
- New Residents and Multicultural Group
- Neighbourhood House Playgroup
- No Lights, No Lycra Mansfield
- Orchid Interest group
- Patchwork, quilting, knitting & sewing group
- Snake Awareness Workshop
- Social Badminton
- Social Table Tennis
- Spanish – beginners & advanced
- Tax Help
- Youth Drama / Film making workshops
- Youth Engagement Program (YEP)

Mansfield Community Men's Shed

In 2002, aligning with the MACE goal *“to assist and encourage and, if necessary, auspice the development of new and existing community groups”*, the organisation agreed to support the concept of a Community Men's Shed in Mansfield. MACE was responsible for the securing of state and federal funding and local government support for the construction and establishment of the Mansfield Men's Shed. The Shed was officially opened in 2005 with many programs being delivered to a wide cross section of the local community. The goal

was for MACE to auspice the Shed for a twelve month period however it was not until January 2014 that the Men's Shed became incorporated. The membership and range of activities of the Shed continues to grow. MACE maintains its support of the Shed through the provision of the facility and with administration support.

Mansfield Multicultural Group

Monthly social gatherings were conducted during 2014, for an increasingly diverse local population. The focus varied each month, and included preliminary development of a cook book through cooking and sharing dinners together at MACE. The group participated in various collaborations and celebrations including National Sorry Day, Friends of Venilale and *Mansfield Do It* Festival. Guest speakers from NEMA and Mansfield Fire Brigade presented at gatherings.

MACE began collaboration with Mansfield Shire Council to review the goals of the group, and transition was made to Council facilitating a newly formed group for both new residents to Mansfield, and those with culturally diverse backgrounds. The *Mansfield New Residents and Multicultural Group* convened its first gathering at MACE in August, and in November held a well-attended and lively evening to celebrate the Dashin Festival.

North East Multicultural Association (NEMA) continues to collaborate with both MACE and Council, in particular for Cultural Diversity Week.

Mansfield Gadhaba Local Indigenous Network (GLIN)

The GLIN was formed in 2012, and is the 39th LIN in Victoria. It was formerly the Mansfield Indigenous Support Group, which originated from the Delatite Indigenous Reference group. In 2013 the GLIN finalised their *Community Plan*, which identifies and achieves actions based on coming together, acceptance, reconciliation, Indigenous families including young people, engagement, education, and contemporary issues. Goals include supporting the development of a meeting place, encouraging an inclusive, culturally competent, united and proud community, enabling connected, happy and healthy families to share their culture, and promoting a strong and successful Aboriginal organisation.

The GLIN is supported by MACE through provision of an accessible place to meet, and involvement in projects undertaken by the diverse and representative local community membership.

MACE Learn Local strategic partnerships

Many agencies participate each year in development of programs through collaborative liaison, particularly with opportunities for MACE students to undertake work-based placements. The list below demonstrates the breadth established and / or strengthened in Victorian Learn Local areas, especially in the Hume Region.

Collaboration in 2014 has occurred with many agencies / services, including:

- Aspire Support Services
- Baranduda Community Centre
- Beechworth Neighbourhood House

- Benalla Community Health – Mansfield & Benalla
- Benalla Rural City
- Berry Street
- Bonnie Doon Community Centre
- Brayton Youth Services – Kialla
- Cobram Community House
- Community Support North East, Wangaratta & Wodonga
- CVGT
- Dame Pattie Menzies Centre, Alexandra
- Department of Human Services, Wangaratta
- Family Care, Shepparton
- Felltimber Community Centre
- Flowerdale Community House
- Gadhaba Local Indigenous Network – Mansfield GLIN
- Gateway Community Health Centre, Wodonga
- Goulburn Valley Water, North East
- Greater Shepparton City Council
- High Country Library Corporation
- Indigo Shire Council
- Iramoo Community Centre, Werribee
- Junction Support Services, Wodonga & Wangaratta
- Kinglake Ranges Neighbourhood House
- Life Without Barriers, Whittlesea
- Manor Court, Werribee
- Mansfield Cubby House
- Mansfield & District Hospital / Bindaree & Buckland House
- Mansfield Primary School & Kindergarten
- Mansfield Secondary College
- Mental Illness Fellowship
- Mercy Centre, Lavington
- MHA Care, Yarrawonga
- MIND Australia / Jacaranda, Shepparton
- Mission Australia, Albury
- Mitchell Community Health Centre – Broadford
- Mitchell Shire Council – Community Development unit
- Moira Shire Council
- Nathalia Community House
- Nexus Primary Health
- Northeast Multicultural Association (NEMA)
- North East Tracks / LLEN
- North Shepparton Community Centre
- Numurkah Community Learning Centre
- Oriel Services, Housing Division West Heidelberg
- Ovens & King, Wangaratta (now Gateway Health)
- Primary Care Connect, Shepparton
- R.I.S.E Centre Inc, Shepparton
- Seymour Community House

- Strathbogie Shire Council, Euroa
- The Bridge Youth Services, Shepparton
- Upper Murray Family Care, Wodonga
- Violet Town Community Centre
- Wallan Community Centre
- Westmont Community Care
- Wodonga City Council
- Women's Centre, Albury/Wodonga
- Women's Health, Goulburn North East
- Workways, Mansfield
- Yooralla – Mansfield campus
- Youthways, Mansfield

Playgroup

The MACE Neighbourhood House Playgroup is an informal group which is operated by parents of young children. It provides the opportunity for young children to play together in a safe, stimulating and welcoming environment. A wide range of indoor and playground activities are conducted, and children take part in cooking and craft activities. Mothers and fathers have the opportunity to meet new friends at Playgroup, and share the joys of being a parent.

MACE is fortunate to have dedicated volunteers to co-ordinate Playgroup, which very effectively provides an opportunity for children to socialise and develop skills. We are grateful especially to Alicia Follett for her group leadership in 2014.

Centrelink Agency

The MACE facility has enabled our Mansfield community access to Centrelink services on the premises for 13 years. The private room provided allows direct contact with Centrelink Wangaratta office, via phone and internet. General resources are available from an information stand, and assistance is provided by MACE reception when required.

A total of 2,960 client enquiries were processed by MACE reception staff throughout the year, including lodging, copying and verifying documents, assistance with forms completion, Centrelink internet / phone services and fax assistance, provision of forms and referrals to the call centre.

Children's Services

Mansfield Community Cubby House began the year with an assessment and rating visit from the Department of Education and Early Childhood Development, now referred to as the Department of Education and Training.

On January 15, after much deliberation with the Department of Education and Early Childhood Development on whether our assessment and rating visit would go ahead due to extreme weather conditions, our Assessment and Rating visit took place! Cubby House was

rated 'Exceeding the National Quality Standards'. This was an outstanding achievement highlighting the quality care and education provided by our energetic team of educators.

It was wonderful to finally get the news in May that we were proceeding with our plans to lease the new Mansfield Family and Children's Centre childcare facility. This was a very exciting time and from May to September we were extremely busy organising the move. This involved planning and organising new equipment and resources, packing up 'old Cubby', designing the new outdoor yards, and meeting all the regulatory requirements.

On September 2, 2014 Mansfield Community Cubby House officially opened its doors at the new premise, 10 Davies Street. Thank you to the Board of Management, the families of Cubby, and other community members for their overwhelming support in this project!

Our administrative processes were also updated in 2014 to meet the objectives of our Environmental and Sustainability Policy. We successfully transitioned to emailing all invoices and newsletters to families, whilst the educators received tablets for storing records of children's learning and development.

The children's curriculum and program was once again rich with ideas and experiences that focused on the children's expressed interests. These included learning about planets, space travel and the universe. Outdoor play was a favourite of the children with experiences including water play, ice blocks, digging in the mud patch and picking the vegetables from our vegetable patch. The children were also really interested in exploring bugs and creepy crawlies, much to the dismay of those poor bugs being hunted outdoors by the children! The children were excited to find a frog in their sandpit...not sure what the frog thought!

Cooking continued to be a popular activity. There were many scones and zucchini slices baked, along with banana muffins and fruit smoothies.

Dramatic play and sensory experiences were also part of the program which included making cubby houses, hospitals, bathing babies, tents and camping.

The older children focused on learning about Primary colours, counting- with some children grasping the concept of counting in tens, and recognising letters and numbers.

A strong focus on upper body strength had also been part of the program as research has shown that this is an area requiring focus amongst children in today's climate.



Treasurer's Report

Financial year 2014 has been a very eventful year for MACE. It was a year in two parts. Both Governance and Management realised the spectacular growth of MACE over the past couple of years could not continue. The very successful Uni4U program was winding up and income was tapering off, nevertheless the year started with a very positive mood. A lot of work was done planning for the future growth opportunities with a major Marketing Plan undertaken by BDA Marketing & Planning, looking at initiatives to sustain and perhaps increase the growth trajectory. The Cubby House long day care centre, an arm of MACE's operations, was moved to new larger premises in conjunction with the Mansfield Shire Council, also promising an increase in growth.

Regrettably the second part of the year, from about August, saw a major reversal of fortunes, with revelations of significant problems with much of the business received through a major outsource partner, as well as other deficiencies in compliance, leading to a series of audits from our primary funding body and our licensing body, dramatically decreasing income for the remainder of the year. Earnings from the new Cubby House were also below expectations. Although expenses were reduced somewhat to compensate, cashflow turned negative, and diminished cash assets rapidly.

MACE was fortunate to have no long term debt, and significant assets, both current and property, which enabled us to end the year with positive liquidity, being able to meet all creditors within their normal terms of trade.

Nevertheless 2015 will need to be a year of regrouping and restructuring to enable a new vision to restore MACE to being strong and viable again for the long term.

I am amazed by the work performed under very difficult conditions by our CEO, Paul Sladdin, and Finance Officer Kylie Richards, who has had to review cashflow and budgets on a continuing basis, and always seems so confident and positive. I also need to acknowledge Hayley Tudor-Harrop, who has held the position of Treasurer for the past few years, and helped me greatly in the handover of the position to me in September/October 2014.

See the attached summary sheet for a snapshot of the figures for 2014, or the attached financial statements for details.

Richard Merton

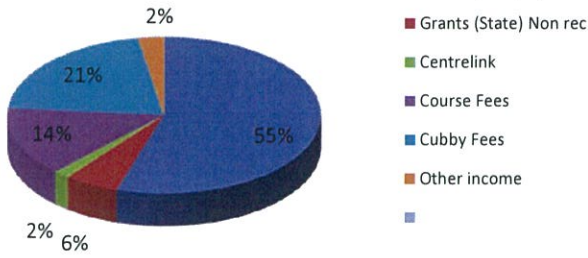
Treasurer

Financial Indicators

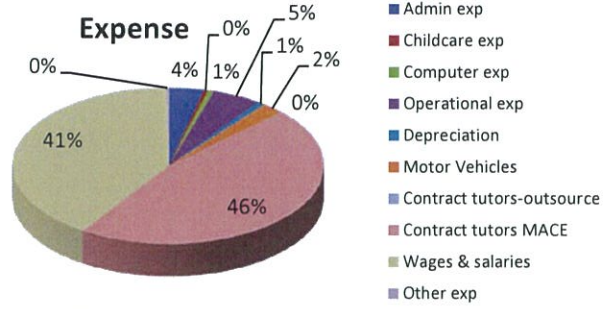
December

2014

Income



Expense

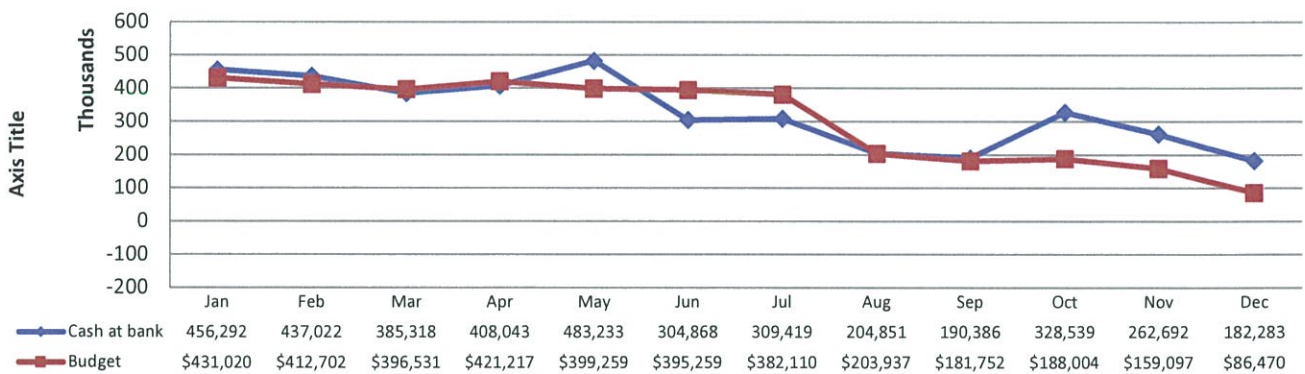


Income	2014	2013	Diff	Expenses	2014	2013	Diff
Grants (State) Op	\$1,241,341	\$1,744,756	-\$503,415	Admin exp	\$87,521	\$104,891	\$17,370
Grants (State) Non rec	\$127,733	\$277,510	-\$149,777	Childcare exp	\$12,961	\$11,671	-\$1,290
Centrelink	\$37,107	\$30,472	\$6,635	Computer exp	\$14,154	\$16,587	\$2,433
Course Fees	\$323,157	\$291,114	\$32,043	Operational exp	\$141,427	\$144,512	\$3,085
Cubby Fees	\$474,745	\$458,424	\$16,321	Depreciation	\$70,119	\$26,584	-\$43,535
Other income	\$59,339	\$282,664	-\$223,325	Motor Vehicles	\$55,200	\$62,556	\$7,356
Total Income	2,263,422	3,084,940	-\$821,518	Contract tutors MACE	\$945,206	\$1,315,026	\$369,820
				Wages & salaries	\$1,121,740	\$1,148,130	\$26,390
				Other expense	\$59,732	\$266,945	
				Total Expenses	2,497,289	3,096,902	\$599,613

Balance Sheet	End Year	Start Year
Cash at Bank - at call	\$73,584	\$327,311
Cash at Bank -Term deposit	\$108,699	\$105,224
Accounts Rec. (incl Cubby)	\$128,196	\$132,682
Total Current Assets	\$310,860	\$566,122
Total assets	\$2,614,062	\$2,901,901
Accounts Payable	\$18,273	\$78,779
Total Current Liabilities	\$48,760	\$100,243
Total Liabilities	\$140,996	\$194,968
Equity	\$2,473,066	\$2,706,933

Indicators	Value	Target
YTD surplus/Deficit	-\$244,769	-\$3,966
Funding/Income	60.5%	Max 70%
Staff costs/Rec Income	91.3%	Max 75%
Curr. Assets/Curr. Liab.	564.8%	Min 100%
Total Assets/Total Liab	1488.4%	Min 100%
surplus (deficit)/Income	-10.3%	min 3%

Cash flow



**INDEPENDENT AUDIT REPORT
TO THE MEMBERS OF MACE INCORPORATED**

ABN 25 306 780 833

Report on the Financial Report

I have audited the accompanying financial report of MACE INCORPORATED. (the association) which comprises the balance sheet as at 31st Decemeber 2014, and the income statement, statement of changes in equity and cash flow statement for the period ended on that date, a summary of significant accounting policies and 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 the Australian Accounting Interpretations) and the *Associations Incorporation Reform Act 2012*. This responsibility includes establishing 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 Accounting 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.

That the financial reports are appropriate to meet the requirements of the *Associations Incorporations Reform Act 2012* and are appropriate to meet the needs of the members.

I disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

My audit has been conducted in accordance with Australian Auditing Standards. My procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with the accounting policies described in Note 1 so as to present a view which is consistent with my understanding of the company's financial position, and performance as represented by the results of its operations and cash flows. These policies do not require the application of all Accounting Standards and other mandatory professional reporting requirements in Australia.

The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

In my opinion the financial report presents fairly, in accordance with the accounting policies described in Note 1 to the financial statements, the financial position of the MACE INCORPORATED.as at 31st December 2014 and the results of its operations for the period then ended.

Complies with the Australian Accounting Standards (including Australian Accounting Interpretations) and the *Associations Incorporation Reform Act 2012*.



Alan Keith Darbyshire FCPA
Registered Company Auditor (7693)
42 McKenzie Street
ROCHESTER VIC 3561

May 1st 2015

MACE INCORPORATED
A.B.N. 25 306 780 833
STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31ST DECEMBER 2014.

	Note	2014 \$	2013 \$
Revenues from ordinary activities	1,2	2,263,422	3,084,940
Depreciation expenses	3	-18,253	-26,584
Leasehold Improvements write down	3	-51,866	0
Other expenses from ordinary activities	3	-2,427,170	-3,070,318
		<u>-233,867</u>	<u>-11,962</u>
Profit from ordinary activities Before Income Tax Expense			
Income Tax Expense	1	0	0
		<u>-233,867</u>	<u>-11,962</u>
Profit from Ordinary Activities after Related Income Tax Expense			
Retained Profits		2,706,933	2,718,895
TOTAL EQUITY		<u><u>2,473,066</u></u>	<u><u>2,706,933</u></u>

The accompanying notes form part of these financial statements.

MACE INCORPORATED
A.B.N. 25 306 780 833

BALANCE SHEET
AS AT 31ST DECEMBER 2014

	Note	2014 \$	2013 \$
CURRENT ASSETS			
Cash & cash equivalents	4	182,664	433,679
Debtors and Other Receivables	5	128,093	131,980
Other Financial Assets	6	10,000	10,000
TOTAL CURRENT ASSETS		<u>320,757</u>	<u>575,659</u>
NON CURRENT ASSETS			
Property, Plant and Equipment	7	2,293,305	2,326,242
TOTAL NON CURRENT ASSETS		<u>2,293,305</u>	<u>2,326,242</u>
TOTAL ASSETS		2,614,062	2,901,901
CURRENT LIABILITIES			
Creditors & Other Payables	8	48,751	110,775
Provisions - Employee Benefits	9	92,245	84,193
TOTAL CURRENT LIABILITIES		<u>140,996</u>	<u>194,968</u>
NON CURRENT LIABLILITES		0	0
TOTAL NON CURRENT LIABILITIES		<u>0</u>	<u>0</u>
TOTAL LIABILITIES		<u>140,996</u>	<u>194,968</u>
NET ASSETS		<u>2,473,066</u>	<u>2,706,933</u>
EQUITY			
Retained Profits		2,473,066	2,706,933
TOTAL EQUITY		<u>2,473,066</u>	<u>2,706,933</u>

The accompanying notes form part of these financial statements.

MACE INCORPORATED.
A.B.N. 25 306 780 833

STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 2014

	Retained Earnings	Total
	\$	\$
Balance at 31 December 2013	2,706,933	2,706,933
Profits for the year	-233,867	-233,867
Balance at 31 December 2014	<u>2,473,066</u>	<u>2,473,066</u>

The accompanying notes form part of these financial statements.

MACE INCORPORATED
A.B.N. 25 306 780 833

STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 DECEMBER 2014

	Note	2014 \$	2013 \$
CASH FLOW FROM OPERATING ACTIVITIES			
<i>Payments</i>			
Wages Salaries and benefits		-1,087,299	-1,065,036
Suppliers		-1,389,495	-2,125,230
Interest and Charges			
<i>Receipts</i>			
User charges		830,217	1,130,702
Grants received		1,369,075	2,022,266
Investment Income		6,803	8,232
Other		56,865	71,497
<i>Net cash used in operating activities</i>	10	-213,834	42,431
CASH FLOW FROM FINANCE ACTIVITIES			
Repayment of Borrowings		0	-11,283
<i>Net cash used in finance activities</i>		0	-11,283
CASH FLOW FROM ASSET TRANSACTIONS			
Building Improvements		-37,181	-3,908
Vehicle Purchases		0	-41,690
Vehicle Sales		0	14,817
<i>Net cash used for asset purchases</i>		-37,181	-30,781
Net decrease in cash held		-251,015	367
Balance at the start of the financial year		433,679	433,312
Cash at the end of the financial year	4	182,664	433,679

The accompanying notes form part of these financial statements

MACE INCORPORATED.

25 306 780 833

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

1. Statement of significant Accounting Policies

The financial statements cover MACE INCORPORATED as an individual entity. MACE INCORPORATED is an association incorporated in Victoria 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 financial statements containing relevant and reliable information about the transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes comply with International Financial Reporting Standards. Material accounting policies adopted in the presentation of these financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements have been prepared on an accrual 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

Income Tax

MACE INCORPORATED is an exempt body for taxation purposes under the Income Tax Assessment Act. Accordingly no income tax is payable.

Rounding Off

All amounts shown in the financial statements are expressed to the nearest dollar.

Property, Plant and Equipment

Property, Plant and Equipment are measured on a cost basis less depreciation and impairment losses.

The carrying amount of Property, Plant and Equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount of 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.

Depreciation

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

The asset's carrying amount is written down 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 income. When revalued assets are sold, amounts included in the revaluation relating to that asset are transferred to retained earnings

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 to sell the asset.

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

Leased Property and Equipment

A distinction is made between financial leases which effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to ownership of the leased non-current asset, and operating leases under which the lessor effectively retains all such risks and benefits. Assets held under a finance lease are recognised as non-current assets at their fair value or, if lower, at the present value of the minimum lease payments, each determined at the inception of the lease.

A corresponding liability is established and each lease payment is allocated between principal component and the interest expense.

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

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

Employment Benefits Provision.

Provision is made for the association's liability for employee benefits arising from services rendered by employees at the end of the reporting period.

The liability taken up is the amount calculated as payable on the balance date.

Creditors and Other Payables.

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 comprise cash on hand; deposits held at-call with banks, other short-term highly liquid investments with the original maturities of three months or less.

Revenue Recognition

Revenue is recognised in accordance with AASB118. Income is recognised as revenue to the extent is earned.

Interest revenue is recognised when received.

Debtors and other receivables

Trade debtors are carried at nominal amounts due and are normally due for settlement within 30 days from the day of recognition.

Due to the nature of the debtors 80% of the total debtors balance are 90days from the debt being incurred, management are aware of the difficulties of the accounts being settled however no procedures were in place at balance date to provide a provision for a bad debts reserve.

Creditors and Other Payables.

Liabilities for trade creditors and other amounts are carried at a cost which is fair value of the consideration to be paid in the future for goods and services received.

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the GST, except where the amount of GST incurred is not recoverable from the Australian Taxation 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

Where necessary the previous year's figures have been reclassified to facilitate comparisons.

MACE INCORPORATED**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE PERIOD 31 DECEMBER 2014**

NOTE 2: REVENUE	2014	2013
	\$	\$
Rental Income	11,976	12,968
Fees and Charges	818,703	982,944
Grant Income	1,369,075	2,022,266
Centrelink	37,107	30,472
Interest	6,803	7,834
Other Income	19,758	28,456
TOTAL REVENUE	<u>2,263,422</u>	<u>3,084,940</u>

NOTE 3: PROFIT FROM ORDINARY ACTIVITIES

Profit from ordinary activities before income tax has been determined after:

a) Depreciation of plant and equipment:	18,253	26,584
Leasehold Improvements write down	51,866	0
	<u>70,119</u>	<u>26,584</u>
b) Other Expenses		
Grants Expenditure	3,165	211,684
ACFE Expenses	20,347	92,923
Advertising and Promotion	11,978	23,441
Administrative Expenses	27,204	24,106
Audit Expenses	2,040	3,150
Childcare Expenses	12,962	11,671
Bank Fees and Interest	2,604	2,408
Equipment Costs	8,722	21,940
Insurances	5,585	5,169
Information Technology	7,183	11,278
Motor Vehicle Operation	55,200	62,557
Occupancy	48,695	50,932
Operating Expenses	88,628	88,176
Human Resources	1,087,299	1,039,337
Staff Training and Development	14,952	38,290
Tutors and Contactors	945,206	1,322,677
Program Delivery	85,400	60,579
	<u>2,427,170</u>	<u>3,070,318</u>

NOTE 4: CASH AND CASH EQUIVALENTS

Bendigo Bank Cheque Account	73,513	227,957
Bendigo Bank Swinburne Account	72	99,354
Bendigo Bank Term Deposit	108,699	105,224
Cash on hand	380	1,144
	<u>182,664</u>	<u>433,679</u>

NOTE 5: DEBTORS & OTHER RECEIVABLES

Trade Debtors	128,093	131,980
	<u>128,093</u>	<u>131,980</u>

NOTE 6: OTHER FINANCIAL ASSETS

Shares - Mansfield Community Bank	10,000	10,000
	<u>10,000</u>	<u>10,000</u>

NOTE 7: PROPERTY ,PLANT AND EQUIPMENT

Land 145-147 High Street Valuation 12/2009	649,500	649,500
Buildings 145-147 High Street at Cost	1,512,012	1,512,012
Leasehold Improvements at Cost	136,466	182,255
Less: Accumulated Depreciation	-43,164	-68,466
Plant and Equipment at Cost	80,133	241,311
Less: Accumulated Depreciation	-41,642	-190,370
	<u>2,293,305</u>	<u>2,326,242</u>

NOTE 8: CREDITORS & OTHER PAYABLES

Australian Taxation Office	19,079	11,854
Trade Creditors	21,106	91,019
Employee Superannuation	8,566	7,902
	<u>48,751</u>	<u>110,775</u>

NOTE 9: PROVISIONS

Annual Leave	67,443	54,321
Long Service Leave	24,802	29,872
	<u>92,245</u>	<u>84,193</u>

NOTE 10: CASH FLOW INFORMATION**Reconciliation of Cash flow from Operations with Profit**

Net Loss for the year	-233,867	-11,962
-----------------------	----------	---------

Net cash flows in profit

Depreciation	18,253	26,585
Leasehold Improvements Write Off	51,866	0
Decrease in receivables	3,886	147,759
Decrease in payables	-62,024	-94,252
Increase in employee entitlements	8,052	-25,699
Cash flows from operations	<u>-213,834</u>	<u>42,431</u>

NOTE 11: COMMITMENTS

	2,014	2013
	\$	\$
Operating Lease Commitments		
Operating leases contracted for but not capitalised in the financial statements		
Payable - not later than 1 year	19,644	24,527
- between 1 year and 3 years	4,883	19,644
	<u>24,527</u>	<u>44,171</u>

All commitments are GST inclusive where relevant

Motor Vehicles over 24 months at fixed instalment rates.

NOTE 12: AUDITORS REMUNERATION

Auditing the financial report	<u>2,040</u>	<u>3,150</u>
-------------------------------	--------------	--------------

NOTE 13: DIRECTORS REMUNERATION

No board members were paid during the reporting periods.

NOTE14: RELATED PARTY TRANSACTIONS

No related party transactions took place during the reporting period.

NOTE15: EVENTS SUBSEQUENT TO REPORTING DATE

No matters or circumstances have arisen since the end of the financial year which have significantly affected, or may significantly affect the operations of the entity, the results of those operations or the state of the affairs of the enterprise in the ensuing or subsequent financial years.

NOTE16: ENTITY DETAILS

145-147 High Street
Mansfield Vic 3722
Incorporation No. A0048770V

The principal place of business is:
145 -147 High Street
Mansfield Vic 3722

Registered Training Organisation No. 3928
Licensed Childcare Provider No. 9921

MACE INCORPORATED.

A.B.N 25 306 780 833

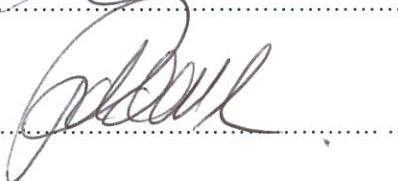
STATEMENT BY MEMBERS OF THE COMMITTEE

In the opinion of the committee the financial statements are set out in this report.

1. Presents fairly the financial position of MACE INCORPORATED as at 31 December 2014 and its performance for the year ended on that date in accordance with Australian Accounting Standards , mandatory professional 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 INCORPORATED 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.....

Treasurer.....

Dated at Mansfield this May 1st 2015.

Board of Management 2014

Ross Martin	President
Colin Duncan	Vice President
Haley Tudor-Harrop	Treasurer (Resigned December)
Zandra Duncan	Secretary
Richard Merton	Treasurer from December (elected July)
Anthony Williams	
Graham Corless	
Janene Ridley	Elected May
Linda Dermott	Elected May
Christopher Redmond	Elected May
Joyanne Saggars	Resigned May
Mary Harrington	Resigned May

Staff 2014

Paul Sladdin	Chief Executive Officer
Elin Ree	Community Programs Manager
Nicole Lovett	Children's Services Manager
Julia Fitz-Gerald	Training Services Manager (from April)
Lorraine Bradshaw	Student Administration Officer
Kylie Richards	Finance Officer
Tayte Hoseason	Compliance Officer
Bernadette Caminos	Reception
Daryl Hunt	ICT Support
Michelle Harmer	Community Services Trainer
Imogen Smith	Market Research/RTO Development Officer
Camillia Mapley	Administration Support
Graham Eddy	Training Services Manager (until April, resigned September)

Early Childhood Educators

Diploma Qualified or studying

Nicole Lovett

Cassandra Daykin

Arwen Hannaford

Angela Desmond

Jasmine Frye

Caitlin Armstrong

Teagan Hopgood

Nicole Lovick

Kasey Hemenstall

Certificate III qualified or Studying

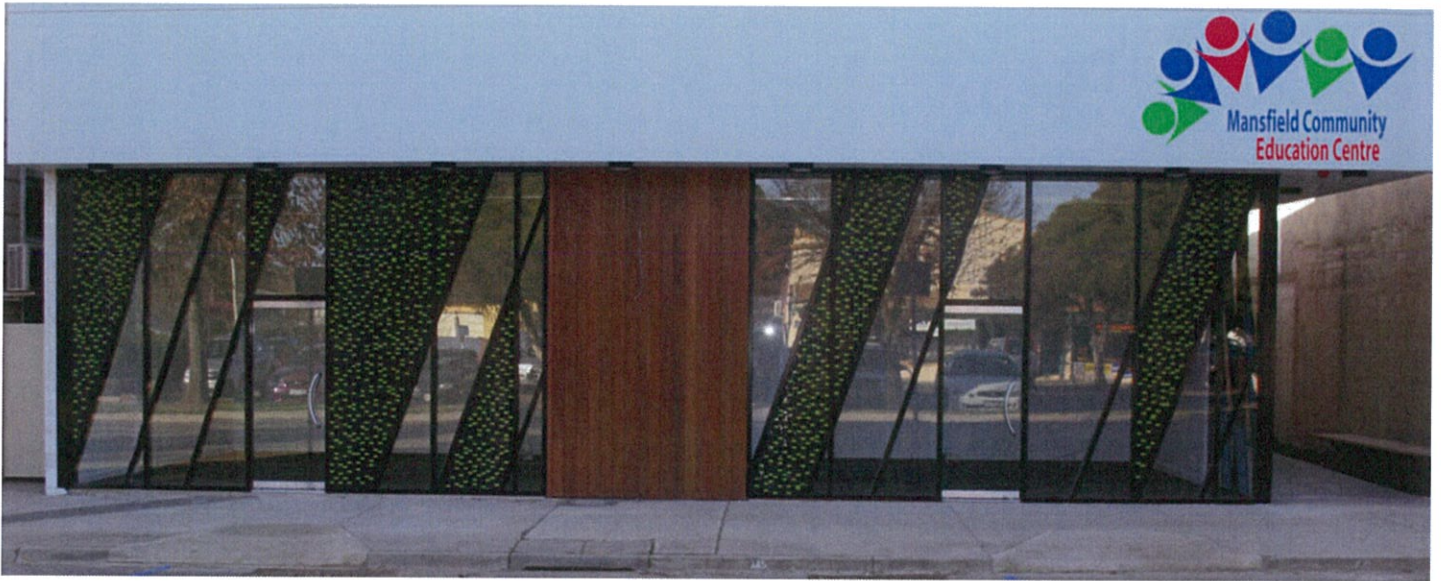
Molly Walker

Renee Bradshaw

Madeline Shinns

Cherie Howes

Peggy Millsom



Linking the Community Through Learning

