

m c c
MACQUARIE
Community College

Annual
Report
2011





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MACQUARIE
Community College

Carlingford | Chatswood | Ryde | Eastwood | Blacktown
02 8845 8888
www.macquarie.nsw.edu.au



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Mission Statement

To Provide the community with lifelong learning opportunities that are relevant, accessible and affordable

Vision

To be a leading provider of dynamic and innovative learning experiences

Strategic Plan

Our Students

- Our students reflect the demographics of our community
- We deliver superior customer service
- We have productive partnerships with new and existing stakeholders

Our Programs

- We provide and deliver superior learning programs
- Our programs reflect the diverse needs of the community

Our People

- We are an employer of choice
- We are a learning organisation
- We are a high performing organisation

Our Processes

- We operate profitably
- We optimise human and physical resources
- We have an effective, leading edge IT platform



Our Board

Board of Directors

Ms Sue Murray	Chairman
Mr Michael Hunt	Deputy Chairman
Ms Veronica Casson	Board Member
Ms Zoohan Gahni	Board Member
Mr Peter Garrad	Board Member
Dr June Heinrich	Board Member
Mr Bill Ho	Board Member
Ms Carly Marshall	Board Member

* As at 31st December 2011

Our Staff

Our Senior Executive Team

Chief Executive Officer	Dr June Heinrich
Chief Financial Officer	Richard Faithorn
Principal AMEP	Neda Ceic
Head of Business Training	Jennifer Hogan
Head of Human Resources	Sarah Taggart
Head of Marketing	Julia Goodwin
Head of Information Technology	Linda Selfridge
Head of Lifestyle and Leisure	Malcolm Harrison

Chairman's message Susan Murray

On behalf of the Board and the staff of Macquarie Community College I have pleasure in presenting the Annual Report for the year ended 31 December 2011.

This year's Annual Report is about looking forward to the future. The future direction has been captured in the mission and vision statement approved by the Board of Directors and endorsed by the Senior Executive Team of the College. A strategic Plan for the period 2012-2014 was developed during the year by the College. This plan has been endorsed by the Board and is now being implemented. The Directors also developed a Corporate Governance Charter to guide the operations of the Board.

Integral to the success of our mission and vision will be the building of a culture that is collaborative, innovative and action oriented. Both the Board and management will have this as a focus in the coming year.

It is however important that we also reflect on what has been achieved in 2011 and there is much to celebrate. Many of these policy and project initiatives have been outlined in the CEO report.

Macquarie Community College is well placed to provide high quality yet affordable adult education to our community. We have dedicated and competent trainers who are supported by a committed administrative staff. In addition to our traditional leisure and lifestyle courses we are developing our business courses including nationally accredited courses for our business community.

During the year Dr June Heinrich AM commenced as our CEO and since her appointment her focus has been on developing a strong customer service focus throughout the College. A dedicated Customer Service team has been established as the first point of contact for all enquiries to make it easier for prospective students to enrol or have their enquiries dealt with quickly and efficiently.

As Macquarie Community College pursues its vision and mission we are indebted to our dedicated Board and the Executives of the College.

I pay tribute to my fellow Directors, who in a volunteer capacity, have faithfully given so much of their time and continue to dedicate themselves to the oversight and strategic direction of Macquarie Community College. I particularly wish to thank Michael Hunt who as deputy chairman has selflessly given me his support, wisdom and encouragement.

We acknowledge the financial support given by the Adult Community Education Unit of the Dept of Education and Communities and the partnership the College has with State Training which has enabled the College to deliver funded nationally accredited courses to our students.

I believe Macquarie Community College has an exciting future and I am pleased to be a part of it.



Susan Murray B.Ed, MS(Ed)
Chairman
Macquarie Community College

Chief Executive Officer's message June Heinrich

I began the exciting and challenging role as CEO of Macquarie Community College in May 2011. From the beginning I placed a strong focus on the service we provide to our students from the enrolment process through to the learning experience provided by the dedicated trainers employed by the College. Our students are the reason the College exists.

Our vision is that Macquarie Community College will be a leading provider of dynamic and innovative learning experiences. My aim is that vision will be delivered by a vibrant, inspired, capable and well resourced workforce. Furthermore my intention is that Macquarie will be a financially viable, secure and sustainable organisation in which all employees have a positive attitude, feel accountable through being empowered to take the initiative and approach change with enthusiasm.

A highlight of the year was the development of our Mission and Vision and the development of a 3 year Strategic Plan. This was a co-operative effort by the Board of Directors, the senior management team, our co-ordinators and staff representatives. The Strategic Plan is now driving the College focus.

Another highlight was the re-signing of the contract for Adult Migrant Education Program delivered at Blacktown, Ermington and Mt Druitt for a further three years. Macquarie Community College is a major partner of Navitas and the Dept of Immigration in the delivery of English classes to new arrivals in Western Sydney. The ability of Macquarie Community College to successfully tender for the contract was primarily due to the excellent reputation of AMEP which is result of strong leadership and a dedicated staff.

During the year we established the Senior Executive Team which comprises of the Heads of the various Departments within the College. This team is working very well and providing strong leadership across the College. The challenge for the year ahead is to increase our enrolments and manage our costs and the senior executive team is

rising to this challenge. Their support and commitment to the Mission and Vision of Macquarie Community College is vital in enabling MCC to grow and develop and be a leader in the Community College and VET Sectors.

Together with the Senior Executive Team I want to thank the Board of Directors who have worked long hours in their support of the Organisation and as they chart the direction for MCC.

The success which Macquarie Community College enjoyed during 2011 would not have been possible without the dedication and commitment of all our staff. Thank you for the vital contribution you each make.

Lastly, thank you to all the members of MCC for your support and the part you play in promoting the work of the College.

My hope is that as you read this Annual Report you can embrace our vision of delivering dynamic and innovative learning experiences to our students.



Dr June Heinrich AM
Chief Executive Officer
Macquarie Community College

Adult Migrant English Program

This has been a significant year for Macquarie Community College, Adult Migrant English Program (AMEP). I am pleased to report the positive outcome of the AMEP tender. In March 2011 it was announced that Macquarie Community College as part of the Navitas Consortium had won the AMEP tender for the provision of the Adult Migrant English Program for the next six years.

This significant accomplishment has paved the way for necessary refurbishments of all three AMEP centres located at Blacktown, Ermington and Mt Druitt. The new campus at Mt Druitt is expected to be fully operational in the second half of 2012. The building will house three classrooms and associated administration areas. This will provide much needed access to the program for residents of Mt Druitt and surrounding areas.

The new tender has also presented some challenges that required the implementation of strategic initiatives to explore new opportunities and improve operational functions. A significant change has been the requirement to bring the program in line with school terms. This has resulted in the program being operational for 40 weeks per year down from a previous operational schedule of 47 weeks per year. Another significant change was the governments' implementation of a revised payment formula. I would like to congratulate the team at AMEP for ensuring the smooth transition to these new processes.

In 2011 AMEP achieved 2,300 enrolments and utilized close to 300,000 student contact hours. This year has seen AMEP achieve outstanding financial results, develop productive community partnerships, build on Navitas Consortium and stakeholder relationships whilst maintaining strong teamwork amongst the staff and excellence in client service delivery.

The delivery of the program in 2011 and its associated services has been by all measures an outstanding success. It consolidates the value of a model based on reach and retention, and the value of a commercial partnership between the community education, tertiary education and the non-government sectors.

It remains a privilege for the college to be one of the leading partners delivering the Adult Migrant English Program for the Department of Immigration and Citizenship and its clients.

Ms Neda Ceic
Principal – AMEP
Macquarie Community College



Macquarie Business Training

2011 has been a year of significant achievement for Macquarie Business Training. Over the last 12 months we have built strong relationships with a range corporate and government clients.

This year we were successful in winning several new tenders which totalled over \$1 million dollars in funding. Macquarie Business Training was also selected as one of the preferred providers with NSW Department of Ageing, Disability and Home Care. Another highlight has been the introduction of the WorkCover approved HSR (Health Safety Representative) training course, this course is in line with government changes under the WHS Act 2011 and Macquarie Business Training is now an approved provider.

Professional development and training of our business trainers has been a priority this year. Sustainability training was provided covering Moderation and Validation, Macquarie Policy and Procedures, Audit Requirements and ASQA changes.

2011 has seen a major achievement involving the electronic archiving of student records and the implementation of significant changes to the way we maintain our student records. As a Registered Training Organisation we have a responsibility to access and maintain student's records for 30 years. The new and efficient processes now in place ensure that we meet all government and accreditation requirements.

Macquarie Community College achieved a successful result with our ISO 9001 audit. In 2012 the Macquarie Business Training Centre is due for the 5 year ASQA (Australian Skills Quality Authority) audit through the national VET Regulator.

I would to thank our CEO, the MCC Board, my colleagues and the Macquarie Business Training staff for their team work and dedication to the college and our students.

Ms Jennifer Hogan
Head of Macquarie Business Training
Macquarie Community College



Language, Literacy and Numeracy

This year was a year of growth for the Macquarie Community College Language, Literacy and Numeracy (LLN) unit. New partnerships with community groups and funding organisations resulted in two very strong emerging lines of business including, Accredited Government Funded Training, and Corporate Fee for Service Training.

Macquarie Community College LLN unit has provided training in line with NSW Government Adult and Community Education Social Inclusion targets for those clients facing barriers to training participation. These government funded courses facilitated a partnership opportunity with the Korean Welfare Organisation. The Language, Literacy and Numeracy unit delivered the double qualification of Certificate III in Children's Services and Certificate III in Spoken and Written English. The target group included Korean women who were underemployed or unemployed. Many of these clients were already university graduates. Poor literacy skills and a lack of recognition for their qualifications meant that these students were unable to find work in Australia and faced a number of barriers to securing employment. Following completion of the accredited qualification gained at the college, graduates improved their employment prospects as they were able to present a 'local' qualification, and the English language program greatly improved their literacy skills. This program was an outstanding success, with many students being offered work following their work placement session.

The Language, Literacy and Numeracy unit was also successful in receiving funds to run the government funded Skillmax program. The target group is skilled migrants with a high English language level. The Skillmax focus is The Australian Career Landscape with three assessable units, Resumes, Cover Letters and The Job Interview. Following the excellent results achieved with the initial Skillmax program the college secured further Skillmax funding and was also awarded additional funding to run the English for Employment funding from AMES.

Macquarie Community College Language Literacy and Numeracy unit successfully retained a number of corporate clients and provided Workplace Communications Skills programs. Courses were also specifically designed and delivered to employees. These courses produced tangible results for both the employers and employee. Our corporate clients included Macquarie University, RLB Quantity Surveyors, Novartis Pharmaceuticals and Willoughby Council.

The college also continues to be a leading provider of the Certificate in Spoken and Written English, funded by the NSW Government Adult and Community Education meeting the needs of our local community.

These results could not have been achieved without our dedicated, committed, highly qualified and experienced teachers and staff who have achieved excellent outcomes for the students and the college.

Ms Veronica Casson

Language, Literacy and Numeracy Coordinator
Macquarie Community College



Leisure and Lifestyle

The recreational courses continue to be at the centre of the adult education programs operated by the College. Each term the College offers over 400 recreation courses, taught by approximately 200 experienced and professional course presenters at over 70 venues stretching across the northern suburbs of the Sydney Metropolitan Area.

The College has been offering adult education classes for over 60 years and throughout that time Eastwood Primary School has always been one of our teaching venues. This year, however, the decision was made to relocate the Eastwood teaching operations to the nearby teaching complex operated by the Department of Corrective Services at Brush Farm. This presents an opportunity to provide a venue more appropriate to our course offerings and to better meet our student's expectations.

In 2012 the Brush Farm complex will also incorporate the heritage listed Brush Farm House. This beautiful venue will host Leisure and Lifestyle courses with access throughout the year.

The other significant change was the decision to rebrand the recreational courses offered by the College under the banner 'Leisure and Lifestyle'. This was the first step in the process to reinvigorate the recreation program and we expect to continue our innovations over the next twelve months to ensure that our courses are relevant to the needs and aspirations of the community we serve.

In November, the College held its first Staff Recognition Award night at the Ryde Parramatta Golf Club. A number of course presenters from the Leisure and Lifestyle group were acknowledged and further functions are planned in early 2012 to recognise staff who have taught at the College for 10, 15 and 20 years.

The Leisure and Lifestyle program is constantly under revision and 2012 will see a number of new and innovative courses introduced to our course offerings.

Mr Malcolm Harrison
Head of Leisure and Lifestyle Program
Macquarie Community College



Community Access

The Macquarie Community College Community Access Program had another successful year in 2011 running a variety of courses targeted for all levels of people with an intellectual disability.

The enrolment figures for the year averaged between 280 and 300 per term, with an average of thirty courses running each term. The Community Access courses are specially designed based on the needs of various disability support organisations and their clients. These courses are exclusively for residents and clients living in supported accommodation or who access disability services within our local community.

Our Community Access courses are held at various locations including Minimbah Challenge in Marsfield, The Rydalmere Centre, The Marsden Centre at Westmead and The Lachlan Centre at North Ryde. We also ran a Post School Options Program at Cromehurst School in Lindfield and provided courses to clients living in supported accommodation homes in Glenwood and in Ryde.

Our Community Access course offering includes Fitness and Sports, Dancing, Art and Drawing, Music and Percussion, Cooking, Beauty and Grooming, Visual Sensory Stimulation and Colour Therapy. We also provided specifically designed Personal Development courses targeted at students with low support needs.

The college is committed to providing these much needed community programs. We continue to work towards ensuring our Community Access Program provides affordable and quality courses for people with an intellectual disability both in recreation activities as well as in functional and survival skills.

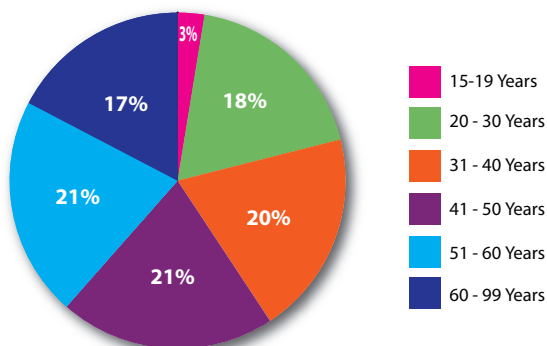
The Community Access Program trainers are to be commended for their tireless efforts and patience in the delivery of their programs to their students and for their duty of care to them. Special thanks and appreciation also go to the members of the Board, Management and MCC staff for their continuing support and ensuring the continuance of the Community Access Program.



Statistics at a glance

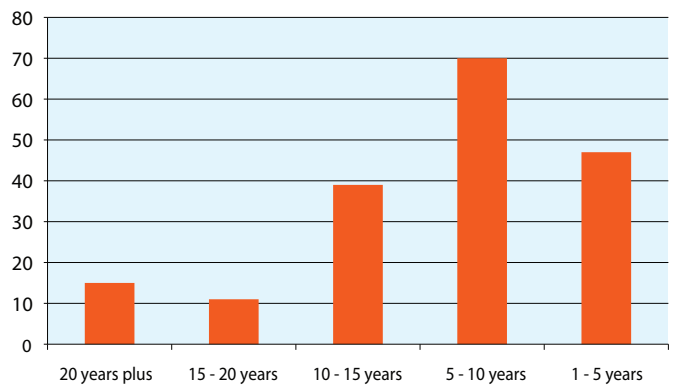
Our Students

Macquarie Community College provides business training, community access programs and leisure and lifestyle courses to a diverse age range across our local communities. In 2011 our student age ranged from our youngest at 13 years old to our oldest student at 93 years of age. The graph below illustrates the student age range.



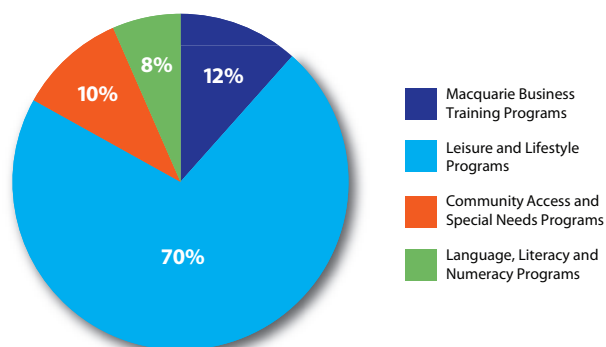
Our People

Macquarie Community College employs over 300 staff committed to providing the community with lifelong learning opportunities that are relevant, accessible and affordable. Macquarie Community College is proud of its excellent staff retention rates as illustrated in the graph below.



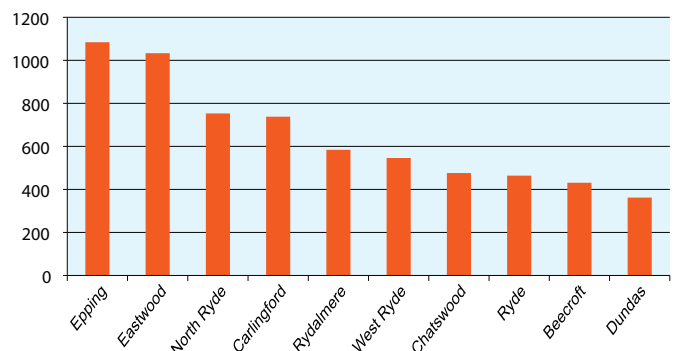
Our Programs

Macquarie Community College has four main business units including Vocational Education and Training, Lifestyle and Leisure, Community Access and Language, Literacy and Numeracy. The graph below illustrates enrolments by business unit.



Our Community

Macquarie Community College is the third largest community college in the Sydney metropolitan area. The main campuses are located in Carlingford, Chatswood, Blacktown, Ermington, Ryde and Eastwood. Our top ten suburbs are illustrated in the graph below.



Macquarie Community College

ABN 71 103 790 665

Financial Statements

For the Year Ended 31 December 2011



Macquarie Community College

ABN 71 103 790 665

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31 December 2011

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Macquarie Community College

ABN 71 103 790 665

Directors' Report 31 December 2011

Your directors present their report on Macquarie Community College for the financial year ended 31 December 2011.

1. General information

Information on directors

The names of each person who has been a Director during the year and to the date of this report are:

John Freeburn

Qualifications FCCA (Fellow of the Association of Chartered Certified Accountants UK)
 Experience Financial specialist, formerly Regional Vice President for Finance and IT for a multinational packaging company.
 Special responsibilities Treasurer and Member of Finance & Risk Committee until date of resignation
Resigned 1 December 2011

Peter Garrard

Qualifications B.A, Dip.Ed, M.A(Special Education)
 Experience Extensive experience in education including Principal of Doonside Technology High School and Epping Boys High School.
 Special responsibilities Member of Finance & Risk Committee

Carly Marshall

Qualifications M.Ed, B.A, Dip.Ed, Grad.Dip.Ed.Studies
 Experience Extensive experience in the secondary and tertiary education sectors including teaching and senior managerial positions such as College Director in TAFE NSW.

David Walker

Qualifications B.Sc(Eng)(Hons) Electrical and Electronic Engineering
 Experience Business management, contract negotiation, systems engineering and computer systems development, senior gliding instructor.
 Special responsibilities CEO until 2 May 2011
Directorship Ceased 2 May 2011

June Heinrich

Qualifications Teachers Certificate, B.A(Hons), M.Sc, D.Edu, AM
 Experience Twenty Five years in Primary School Education as teacher and principal, Senior Lecturer Macquarie University Teacher Education Program, Founding Principal Macquarie Community College.
 Special responsibilities CEO from May 2011 and Member of Finance & Risk Committee

Michael Hunt

Experience Managing Director of a manufacturing and distribution business. Very senior Executive, Vice President and Director positions with major international companies controlling business units across the Asia-pacific rim, Australia and New Zealand. Active in raising funds for major charities such as the Starlight Foundation and Day of Difference.
 Special responsibilities Deputy Chairman and Member of Finance & Risk Committee

Susan Murray

Qualifications B.Ed, MS(Ed)
 Experience More than twenty years experience in the community sector holding leadership positions across the areas of education, media, communications and fundraising. A specialist in health promotion having led the National Breast Cancer Foundation and now heading the George Foundation for Global Health.
 Special responsibilities Chairman and Member of Finance & Risk Committee

Veronica Casson

Qualifications B.A, Grad.Dip.Adult Ed(TESOL), Dip.Mgt, Cert IV TAA
 Experience Extensive experience in the design and delivery of education programs.
 Special responsibilities Staff Representative

Macquarie Community College

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Directors' Report 31 December 2011

Bill Ho

Qualifications B.Sc, M.Eng, LLB
 Experience Extensive experience in the building industry as engineer and building consultant. Active in community services including a number of Chinese Australian organisations. Deputy Chair of Community Services Committee of ACCA. Former Chair of Education Committee of ACCA.
 Special responsibilities Member of Finance & Risk Committee

Vincent Pollaers

Qualifications B.Eng, B.Sc, Legal Qualifications to practice as solicitor in England, Wales and NSW, Dip. Applied Psychotherapy.
 Experience Senior roles in leading international law firms and multinational corporations. Extensive experience in human resources management, corporate governance and strategic advisory positions.
 Special responsibilities Chairman until date of resignation
Resigned 14 June 2011

David James

Experience Experience in recording studio, radio and television station operations and management. Business owner. Local community involvement through Rotary Club of Ryde, West Ryde Chamber of Commerce and Meadowbank-West Ryde Progress Association. Business-to-business networking facilitator. Interest in shares and options
Directorship Ceased 31 May 2011

Robert Lundy

Qualifications B.Sc, M.A, Ed.D
 Experience Extensive experience in the management of university halls of residence and residential colleges in Australia and the United States. Extensive experience in teaching and lecturing management theory and practice and organisational behaviour at universities in Australia and the United States.
Appointed 9 June 2011

Jihoon Rhee

Qualifications Dip.Tour Mgt, B.Th, M.Div, M.Th
 Experience Extensive experience in the travel industry and actively involved in pastoral work.
Resigned 8 December 2011

Zoohan Gani

Qualifications Diploma in Computer Studies, Diploma in Business Information Processing, Masters in Information Systems.
 Experience An IT Network Administrator with ten years academic experience teaching and researching information technology and related disciplines in Australia and Singapore.
Directorship Commenced 31 May 2011

Graham Stevens

Qualifications B.A, LL.M, FCPA
 Experience Broad corporate financial experience including corporate taxation manager for several corporations.
 Special responsibilities Treasurer
Appointed 23 February 2012

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Macquarie Community College

ABN 71 103 790 665

Directors' Report 31 December 2011

2. Directors' Meetings

During the financial year, 10 meetings of Directors (including Committees of Directors) were held. Attendances by each Director during the year were as follows:

Director	Board		Finance & Risk Committee	
	Attended	Entitled	Attended	Entitled
John Freeburn	6	8	1	1
Peter Garrard	5	9	1	1
Carly Marshall	7	9		
David Walker	4	4		
June Heinrich	7	9	1	1
Michael Hunt	9	9	1	1
Susan Murray	9	9	1	1
Veronica Casson	8	9		
Vincent Pollaers	4	5		
Bill Ho	9	9	1	1
Robert Lundy	3	4		
Jihoon Rhee	2	8		
Zoohan Gani	1	5		
David James	4	4		

3. Principal Activity

The principal activity of Macquarie Community College during the financial year was the provision of adult learning and community education programs.

No significant changes in the nature of these activities occurred during the year.

4. Operating Result

The surplus of the Company for the financial year amounted to \$757,444 (2010: \$622,387).

5. Significant Changes in State of Affairs

No significant changes in the Company's state of affairs occurred during the financial year.

6. Short Term Objectives

The Company's short term objectives are to boost overall enrolments, especially in the Business training area, to update measures of staff performance and to improve financial reporting processes.

7. Long Term Objectives

The Company's long term objectives focus on four strategic areas – our students, our programs, our people and our processes. Ten major goals are encompassed within these areas:

- Our students reflect the demographics of our community.
- We deliver superior customer service.
- We have productive partnerships with new and existing stakeholders.
- We provide and deliver superior learning programs.
- We are an employer of choice.
- We are a learning organisation.
- We are a high performing organisation.
- We operate profitably.
- We optimise human and physical resources.
- We have an effective, leading edge IT platform.

Striving for and attaining these goals will enable the Company to realise its Vision of being a leading provider of dynamic and innovative learning experiences.

Macquarie Community College

ABN 71 103 790 665

Directors' Report 31 December 2011

8. Strategy for Achieving the Objectives

To achieve short term and long term objectives the Company has adopted the following strategies and initiatives:

- A marketing survey of existing students in order to increase retention.
- A marketing strategy to target new students.
- A marketing strategy that will improve college identity, cross promote course and program profiles and lower the cost of marketing materials.
- A new student management system.
- Improvements to the functionality of the website.
- A marketing database for key contacts.
- A strategy to boost corporate training opportunities.
- An in-house managed online learning platform.
- Review of program scheduling to better meet student and community needs.
- A robust evaluation program for all non-accredited courses.
- A summer school program.
- A staff engagement and satisfaction survey.
- Development of code of conduct, staff induction and exit interview policies.
- A staff communication and engagement plan.
- A review of organisational design to ensure the right people for the right roles.
- A training budget.
- Annual performance review strategy (KPIs).
- A monitoring system for agreed targets.
- Communication of strategic plan to staff and members.
- Improvement to policies and procedures and compliance and governance practices.
- A system to better monitor, manage and forecast costs.
- A budget that reflects the strategic plan, including a management reporting framework.
- A property review to improve facility usage rates, pricing and contract negotiations.
- An IT roadmap to define our direction for infrastructure and IT services.

9. How Principal Activities Assisted in Achieving the Objectives

During the financial year much of the strategic planning for the Company was undertaken with principal stakeholders involved. A systematic review of policies and procedures was commenced and will continue into the following year. Communication channels were significantly improved.

Progress has been made during the financial year in meeting the Company's short term objectives and in addressing some of the longer term objectives. This has been achieved by staff commitment to getting the job done, by being flexible and adaptive and by the implementation of improved management practices.

10. Performance Measures

The following measures are used within the Company to monitor performance:

- Age groups
- CALD groups
- Gender split and balance
- Number of courses retired
- Number of new courses
- Re-enrolment rates
- Number of referrals and endorsements
- Increase in student numbers
- Satisfaction of students with trainers
- Net Promoter Score
- Number of enrolments from alliances
- Number of programs to new target groups
- Number of new organisations and target groups
- Percentage of existing contracts that are renewed
- Number of new contracts in each sector
- Staff engagement/satisfaction rate

Macquarie Community College

ABN 71 103 790 665

**Directors' Report
31 December 2011**

- Staff retention rates
- Employee promoter score
- Staff development program
- Training budget
- Business KPIs
- Individual KPIs
- Number of profit centres operating at a surplus
- Full time equivalent cost to student ratio
- Usage rate per facility or building.

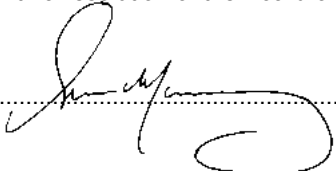
11. Members Guarantee

Macquarie Community College is a Company limited by guarantee. In the event of, and for the purpose of winding up of the Company, the amount capable of being called up from each member and any member who ceased to be a member in the year prior to the winding up, is limited to the annual subscription amount current for the year in which the Company commences to be wound up. For the financial year the annual subscription amount was \$5. At 31 December 2011 the collective liability of members was \$ 625.

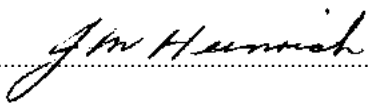
12. Auditor's Independence Declaration

The lead auditor's independence declaration in accordance with section 307C of the Corporations Act 2001, for the year ended 31 December 2011 has been received and can be found on page 19 of the financial report.

Signed in accordance with a resolution of the Board of Directors:

Director - Chairman: 

Susan Murray

Director and CEO: 

June Heinrich

Dated 4 / 4 / 12



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bentleys.com.au

Macquarie Community College
ABN 71 103 790 065

Auditor's Independence Declaration under Section 307C of the Corporations Act 2001 to the Directors of Macquarie Community College

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2011, there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Bentleys NSW Audit Pty Ltd

Kevin Cranfield
Director
Sydney

Date *4 April 2012*

Macquarie Community College

ABN 71 103 790 665

Statement of Comprehensive Income

For the Year Ended 31 December 2011

	Note	2011 \$	2010 \$
Revenue	2	7,974,937	8,297,227
Other income	2	60,437	76,635
Employee benefits expense		(5,333,026)	(5,323,685)
Depreciation and amortisation expense		(181,412)	(153,688)
Insurance		(86,396)	(87,520)
Legal expenses		(61,329)	(115,465)
Advertising and marketing		(249,127)	(255,900)
Rent		(408,044)	(378,270)
Computer expenses		(487,498)	(523,178)
Course expenses		(142,436)	(195,954)
Consultant expenses		(68,930)	(51,694)
Provision for redundancy		404,380	(4,380)
Other expenses	3	(664,112)	(661,741)
Surplus before income tax		757,444	622,387
Income tax expense		-	-
Surplus from continuing operations		757,444	622,387
Surplus for the year		757,444	622,387
Other comprehensive income:			
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		757,444	622,387

The accompanying notes form part of these financial statements.

Macquarie Community College

ABN 71 103 790 665

Statement of Financial Position

As At 31 December 2011

	Note	2011 \$	2010 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	5,541,808	5,447,272
Trade and other receivables	5	864,675	810,539
Other assets	6	127,199	102,625
TOTAL CURRENT ASSETS		6,533,682	6,360,436
NON-CURRENT ASSETS			
Property, plant and equipment	7	4,459,168	4,228,067
TOTAL NON-CURRENT ASSETS		4,459,168	4,228,067
TOTAL ASSETS		10,992,850	10,588,503
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	8	272,489	303,774
Employee benefits	9	489,892	425,130
Other liabilities	10	21,342	32,208
TOTAL CURRENT LIABILITIES		783,723	761,112
NON-CURRENT LIABILITIES			
Employee benefits	9	143,648	114,976
Other liabilities	10	-	404,380
TOTAL NON-CURRENT LIABILITIES		143,648	519,356
TOTAL LIABILITIES		927,371	1,280,468
NET ASSETS		10,065,479	9,308,035
EQUITY			
Reserves	11	1,500,000	1,500,000
Retained earnings	12	8,565,479	7,808,035
TOTAL EQUITY		10,065,479	9,308,035

The accompanying notes form part of these financial statements.

Macquarie Community College

ABN 71 103 790 665

Statement of Changes in Equity

For the Year Ended 31 December 2011

2011

	Reserves	Retained Earnings	Total
	\$	\$	\$
Balance at 1 January 2011	1,500,000	7,808,035	9,308,035
Surplus attributable to members of the entity	-	757,444	757,444
Sub-total	-	757,444	757,444
Balance at 31 December 2011	1,500,000	8,565,479	10,065,479

2010

	Reserves	Retained Earnings	Total
	\$	\$	\$
Balance at 1 January 2010	1,500,000	7,185,647	8,685,647
Surplus attributable to members of the entity	-	622,387	622,387
Sub-total	-	622,387	622,387
Balance at 31 December 2010	1,500,000	7,808,035	9,308,035

The accompanying notes form part of these financial statements.

Macquarie Community College

ABN 71 103 790 665

Statement of Cash Flows
For the Year Ended 31 December 2011

	2011	2010
Note	\$	\$
CASH FROM OPERATING ACTIVITIES:		
Receipts from customers	7,449,973	7,699,591
Payments to suppliers and employees	(7,599,899)	(7,688,903)
Interest received	310,390	274,202
Receipt from grants	286,148	305,022
Other receipts	60,437	76,634
Net cash provided by (used in) operating activities	15 <u>507,049</u>	<u>666,546</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from maturity of investment	-	2,083,193
Purchase of property, plant and equipment	(412,513)	(39,971)
Net cash used by investing activities	<u>(412,513)</u>	<u>2,043,222</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net increase (decrease) in cash and cash equivalents held	94,536	2,709,768
Cash and cash equivalents at beginning of year	5,447,272	2,737,504
Cash and cash equivalents at end of financial year	4 <u>5,541,808</u>	<u>5,447,272</u>

The accompanying notes form part of these financial statements.

Macquarie Community College

ABN 71 103 790 665

Notes to the Financial Statements**For the Year Ended 31 December 2011****1 Summary of Significant Accounting Policies****(a) Basis of preparation**

The directors have prepared the financial statements on the basis that the company is a non-reporting entity because there are no users dependent on general purpose financial statements. These financial statements are therefore a special purpose financial statements that has been prepared in order to meet the requirements of the *Corporations Act 2001*.

The financial statements have been prepared in accordance with the mandatory Australian Accounting Standards applicable to entities reporting under the *Corporations Act 2001* and the significant accounting policies disclosed below, which the directors have determined are appropriate to meet the needs of members. Such accounting policies are consistent with the previous period unless stated otherwise.

The financial statements have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes. The material accounting policies that have been adopted in the preparation of these statements are presented below.

(b) Revenue and other income

The company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of Macquarie Community College's activities as discussed below.

Course fees is recognised over the period of the course.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Grant revenue and other revenue is recognised when the right to receive the revenue has been established.

All revenue is stated net of the amount of goods and services tax (GST).

(c) 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.

Property

Freehold land and buildings are measured at their fair value (being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction), based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation for buildings.

Increase in the carrying amount arising on revaluation of land and buildings are credited to a revaluation surplus in equity. Decrease that offset previous increase of the same asset are charged against fair value reserves directly in equity; all other decreases are charged to the statement of comprehensive income.

All accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Macquarie Community College

ABN 71 103 790 665

Notes to the Financial Statements

For the Year Ended 31 December 2011

1 Summary of Significant Accounting Policies continued

(c) Property, plant and equipment continued

Plant and equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses. Cost includes expenditure that is directly attributable to the asset.

Plant and equipment that have been contributed at no cost, or for nominal cost are valued and recognised at the fair value of the asset at the date it is acquired.

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the company commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements. Land is not depreciated.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Buildings	2.5% - 4%
Furniture, Fixtures and Fittings	30%
Computer Equipment	30%
Improvements	20%

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

(d) 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 which are convertible to a known amount of cash and subject to an insignificant risk of change in value, and bank overdrafts.

(e) Employee benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to Balance Sheet date. Employee benefits expected to be settled within one year together with benefits arising from wages, salaries and annual leave which may be settled after one year, have been measured at the amounts expected to be paid when the liability is settled plus related on costs. Other employee benefits payable later than one year have been measured at the net present value.

Contributions are made by the company to an employee superannuation fund and are charged as expenses when incurred.

(f) 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 company 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 the liability.

Macquarie Community College

ABN 71 103 790 665

Notes to the Financial Statements

For the Year Ended 31 December 2011

1 Summary of Significant Accounting Policies continued**(g) Income tax**

No provision for income tax has been raised as the company is exempt from income tax under Div 50 of the *Income Tax Assessment Act 1997*.

(h) Impairment of assets

Assets with an indefinite useful life are not amortised but are tested annually for impairment in accordance with AASB 136. Assets subject to annual depreciation or amortisation are reviewed for impairment whenever events or circumstances arise that indicate that the carrying amount of the asset may be impaired. An impairment loss is recognised where the carrying amount of the asset exceeds its recoverable amount. The recoverable amount of an asset is defined as the higher of its fair value less costs to sell and value in use.

(i) 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 statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(j) Comparative figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year. When the company applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statements, a statement of financial position as at the beginning of the earliest comparative period will be presented.

(k) Critical accounting estimates and judgments

The directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

(l) Adoption of new and revised accounting standards

During the current year, the company reviewed the revised Australian Accounting Standard and Interpretations applicable to its operations with become mandatory.

There are no standards that have impacted the recognition, measurement and disclosure of transaction.

(m) New accounting standards for application in future periods

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The company has decided against early adoption of these Standards .

Macquarie Community College

ABN 71 103 790 665

Notes to the Financial Statements

For the Year Ended 31 December 2011

2 Revenue and Other Income

	2011	2010
	\$	\$
Course fees and funds from government	7,705,238	8,083,680
Course cancellation fees	(40,691)	(60,655)
Interest received	310,390	274,202
Other income	60,437	76,635
	<u>8,035,374</u>	<u>8,373,862</u>

3 Other expenses

Advertising	47,708	34,454
Audit and accounting fees	22,464	36,986
Cleaning & gardening	83,723	82,358
Electricity and water	51,440	45,432
Facility rentals	79,966	73,073
Postage	21,553	30,759
Printing and stationery	61,543	67,632
Repairs and maintenance	21,323	38,742
Staff amenities	38,226	68,821
Telephone and fax	39,969	45,591
Teaching resources	77,957	42,650
Other expenses	118,240	95,243
	<u>664,112</u>	<u>661,741</u>

4 Cash and Cash Equivalents

Cash at bank	339,795	445,294
Cash on deposits	5,200,000	5,000,000
Cash on hand	2,013	1,978
	<u>5,541,808</u>	<u>5,447,272</u>

5 Trade and Other Receivables

CURRENT		
Trade receivables	864,675	810,539
	<u>864,675</u>	<u>810,539</u>

6 Other Assets

CURRENT		
Prepayments	107,041	86,609
Accrued income	17,178	13,586
Deposits and bonds	2,980	2,430
	<u>127,199</u>	<u>102,625</u>

Macquarie Community College
 ABN 71 103 790 665

Notes to the Financial Statements
For the Year Ended 31 December 2011

7 Property, Plant and Equipment

	2011	2010
	\$	\$
LAND AND BUILDINGS		
Freehold land and buildings		
At directors valuation	3,996,782	3,996,782
Accumulated depreciation	(251,929)	(200,822)
Total freehold land and buildings	3,744,853	3,795,960
Leasehold improvements		
At cost	393,785	307,337
Accumulated depreciation	(267,194)	(240,428)
Total leasehold improvements	126,591	66,909
Total land and buildings	3,871,444	3,862,869
PLANT AND EQUIPMENT		
Plant and equipment		
At cost	317,914	270,143
Accumulated depreciation	(103,727)	(93,535)
Total plant and equipment	214,187	176,608
Office equipment		
At cost	822,377	817,928
Accumulated depreciation	(448,840)	(629,338)
Total office equipment	373,537	188,590
Total plant and equipment	587,724	365,198
Total property, plant and equipment	4,459,168	4,228,067

8 Trade and Other Payables

CURRENT		
Unsecured liabilities		
Trade payables	67,353	87,259
Sundry creditors and accruals	205,136	216,515
	272,489	303,774

9 Employee Benefits

(a) Current		
Long service leave	246,907	234,134
Annual leave	242,985	190,996
	489,892	425,130

Macquarie Community College

ABN 71 103 790 665

Notes to the Financial Statements

For the Year Ended 31 December 2011

9 Employee Benefits continued

(b) Non-current

	2011	2010
	\$	\$
Long service leave	143,648	114,976
	143,648	114,976
	143,648	114,976

10 Other Liabilities

(a) Current

Fees received in advance	21,342	32,208
	21,342	32,208
	21,342	32,208

(b) Non-Current

Provision for costs on AMEP contract	-	404,380
	-	404,380
	-	404,380

11 Reserves

Asset Revaluation Reserve

Opening balance	1,500,000	1,500,000
Movements	-	-
	-	-
Total reserves	1,500,000	1,500,000

12 Retained Earnings

Opening balance	7,808,035	7,185,648
Net surplus attributable to members of the company	757,444	622,387
	757,444	622,387
Retained earnings at end of the financial year	8,565,479	7,808,035

13 Auditor's Remuneration

Remuneration of the auditor of the company auditing or reviewing the financial statements	17,000	17,000
Other services	5,464	19,986
	17,000	19,986
	22,464	36,986

Macquarie Community College

ABN 71 103 790 665

Notes to the Financial Statements

For the Year Ended 31 December 2011

14 Contingent Liabilities and Contingent Assets

Estimates of the maximum amounts of contingent liabilities that may become payable:
The College has a Security Deposit Guarantee with the Commonwealth Bank of Australia in favour of Bermark Pty Limited in respect of the lease of Blacktown premises.

16,333	16,333
16,333	16,333

15 Cash Flow Information

(a) Reconciliation of result for the year to cashflows from operating activities

Reconciliation of net income to net cash provided by operating activities:

Surplus for the year	757,444	622,387
Cash flows excluded from surplus attributable to operating activities		
Non-cash flows in surplus:		
- amortisation	26,765	21,700
- depreciation	154,647	131,988
- write-back of provision for redundancy	(404,380)	4,380
Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries:		
- (increase)/decrease in trade and other receivables	(54,136)	(26,249)
- (increase)/decrease in other assets	(24,574)	(40,601)
- (increase)/decrease in grant in advance	-	8,624
- increase/(decrease) in trade and other payables	(42,151)	(79,403)
- increase/(decrease) in provisions	93,434	23,720
Cashflow from operations	507,049	666,546

16 Members' Guarantee

The company is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$ 5 each towards meeting any outstandings and obligations of the company. At 31 December 2011 the number of members was 125 (2010: 206).

17 Company Details

The registered office and the principal place of the company is:

Macquarie Community College
Cnr Marsden & Rickard Streets
CARLINGFORD NSW 2118

Macquarie Community College

ABN 71 103 790 665

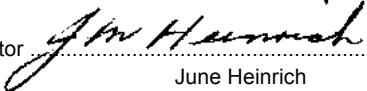
Directors' Declaration

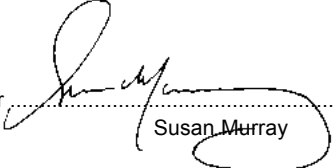
The directors have determined that the company is not a reporting entity and that these special purpose financial statements should be prepared in accordance with the accounting policies described in Note 1 of the financial statements.

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 20 to 30, are in accordance with the *Corporations Act 2001* and:
 - (a) comply with Australian Accounting Standards as stated in Note 1; and
 - (b) give a true and fair view of the financial position as at 31 December 2011 and of the performance for the year ended on that date of is in accordance with the accounting policy described in Note 1 of the financial statements.
2. In the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Director .....
June Heinrich

Director .....
Susan Murray

Dated 4/4/12



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Macquarie Community College
 ABN 71 193 790 865

Independent Audit Report to the members of Macquarie Community College

Report on the Financial Report

We have audited the accompanying financial report, being a special purpose financial report of Macquarie Community College, which comprises the statement of financial position as at 31 December 2011, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the *Corporations Act 2001* and is appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about 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 judgement, 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 company's preparation of the financial report that gives a true and fair view 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 company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*.



A member of Bentleys, an association of independent accounting firms in Australia. The member firms of the Bentleys association are affiliated only and not in partnership. Liability limited by a scheme approved under Professional Standards Legislation.





Macquarie Community College
ABN 71 103 790 665

Independent Audit Report to the members of Macquarie Community College

Opinion

In our opinion the financial report of Macquarie Community College is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the company's financial position as at 31 December 2011 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1; and
- (b) complying with Australian Accounting Standards to the extent described in Note 1 and the *Corporations Regulations 2001*.

Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 of the financial report, which describes the basis of accounting. The financial report has been prepared for distribution to members for the purpose of fulfilling the directors' financial reporting obligations under the *Corporations Act 2001*. As a result, the financial report may not be suitable for another purpose.

Bentleys NSW Audit Pty Ltd

Kevin Cranfield
Director
Sydney

Date *4 April 2012*

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MACQUARIE
Community College