



Annual Report 2022

Towards a more inclusive future



Cerebral Palsy
ALLIANCE

Acknowledgement of Country

We acknowledge the Traditional Custodians of Country throughout Australia and recognise their continuing connection to land, waters and community. We pay our respects to Aboriginal and Torres Strait Islander cultures; and to Elders past, present and emerging.



Artwork by Leah Cummins, a proud Mayi woman from North-Western Queensland

“Cerebral Palsy Alliance advocates on behalf of people from all backgrounds. 2022 marks the first year of our Reflect Reconciliation Action Plan. As part of our commitment to reconciliation, we will work towards creating a workplace where First Nations peoples and cultures are respected at all times, and where First Nations employees not only feel a sense of belonging, but are supported to thrive within our workforce.”

ROB WHITE, CEO, CEREBRAL PALSY ALLIANCE

Contents

Our Values Our Vision Our Mission	2
2021-2022 Impact	4
2025 Strategic Plan	5
President and CEO Report	6
Directors' Report	20
Directors' Declaration	27
Cerebral Palsy Alliance and its Controlled Entities Consolidated Statement of Financial Position	28
Cerebral Palsy Alliance and its Controlled Entities Consolidated Statement of Comprehensive Income	29
Cerebral Palsy Alliance and its Controlled Entities Consolidated Statement of Changes in Equity	30
Cerebral Palsy Alliance and its Controlled Entities Consolidated Statement of Cash Flows	31
Notes to and forming part of The Financial Statements	32
Lead Auditor's Independence Declaration	48
Independent Auditor's Report	49

OUR VALUES

Our values are the bedrock of how we work together and how we interact with the world.

We are committed to being:

PASSIONATE

We are enthusiastic and make things happen together

RESPECTFUL

We are compassionate, inclusive and put people first

ETHICAL

We are professional, accountable and do what we say we will do

CURIOUS

We think differently and look for ways to make things better

COURAGEOUS

We speak up and stand by what we believe in

OUR VISION

Our hope for the future

A world of opportunity for people with cerebral palsy and similar disabilities, and their families.

OUR MISSION

What we do today

To deliver world-class services, community advocacy and policy influence, training, global research and the advancement of enabling technology.



Cerebral Palsy Alliance Sports clients and staff helped raise more than \$400,000 for specialised equipment and assistive technology at the 18th annual 20/20 Challenge

2021-2022 Impact



OUR SERVICES



242 infants received
3,850 hours of therapy through
Babies at Risk program

Over **23,000**
hours of therapy via
Telepractice



500
Supported Independent
Living clients

+63

client satisfaction
rating, per Net
Promoter Score

OUR PEOPLE AND COMMUNITY

2,631

employees,
69% of new hires
are disability support
workers



2,500
people have joined
13 CPActive
community events

134,435

STEPtember participants
raised **\$18.66m**



1,520
volunteers donated
11,027
hours of time

OUR RESEARCH AND INNOVATION

\$8.4m

in research grant funding
was awarded to **90** projects
across **25** countries



54

academic papers
published

80



people with CP and
their families actively
involved in CPQuest

8 disability tech
startups supported



20

PhD and Masters students
under supervision



40,859
training courses and modules completed



34,612
total regular donors



2025 Strategic Plan

Through Strategy 2025, we will bring together the breadth of our capability to discover, deliver and share better life changing solutions. Over the next three years, we have four key goals:

DESIRED OUTCOMES



Goal 1
To build futures for young people with cerebral palsy and their families

Every baby born with cerebral palsy will have the best start in life and access to world-class early intervention programs

Young people with cerebral palsy will confidently navigate school and beyond, setting themselves up for a resilient, happy life full of purpose and opportunity



Goal 2
To research, develop and embed leading edge innovations

Evidence-based interventions will be discovered that are life-changing for people with cerebral palsy

Equitable access to new assistive technology that will enable greater autonomy and participation

Cures and prevention discoveries that lead to a reduction in the incidence and severity of cerebral palsy



Goal 3
To amplify awareness and advocate for change

An increase in community understanding of, and engagement with, cerebral palsy

Enhanced capacity and collaboration in the cerebral palsy community to lead and influence change

Changes in policy that support equality, inclusivity and diversity



Goal 4
To transform our organisation and ways of working

Exceptional outcomes and experiences will be created for our clients, staff and communities

Recognised as a provider of choice

Recognised as an employer of choice

A financially sustainable organisation

PAUL MASI, PRESIDENT



ROB WHITE, CEO



President and CEO Report

As we close out another year, we are again reminded of our founders and their simple wish over 75 years ago – to deliver a brighter future for people with cerebral palsy.

The 2022 theme for our Annual Report – Towards a more inclusive future – shows our continuing promise to advocate and innovate on behalf of people with cerebral palsy, and their families. This year we supported thousands of families, launched exciting new advocacy initiatives, opened new sites, invested in innovation to support our clients and employees, and conducted breakthrough research.

With COVID-19 a constant presence in our community, we continued to show courage and resilience as we kept our people safe. We would like to especially commend our front-line workers for their exceptional care in the face of this ongoing challenge.

2022 also marked the wrap-up of our 2019-2022 strategy and the launch of a new and forward-reaching three-year strategy – Strategy 2025. Over the next three years we will redefine the future we want to see for people with cerebral palsy and similar disabilities, and their families.

Thank you to our wonderful clients, employees and supporters who place their trust in Cerebral Palsy Alliance every day. It is through the continuing support of this alliance that we keep delivering a world-class experience for our communities.

We hope you enjoy a small taste of the many successes we shared over 2022.

Handwritten signatures of Paul Masi and Rob White in black ink.

Paul Masi / Rob White

Zell is a life-long client and much-loved member of the finance team at Cerebral Palsy Alliance's Allambie Heights head office



Cerebral Palsy Alliance clients in the community, enjoying a music festival



Delivering a world-class client experience

At Cerebral Palsy Alliance, our clients and their families are core to our purpose. In the past twelve months, we have worked with more than 6,000 people with cerebral palsy and similar disabilities across over 130 sites in NSW and ACT, empowering our community to live the most inclusive lives possible.

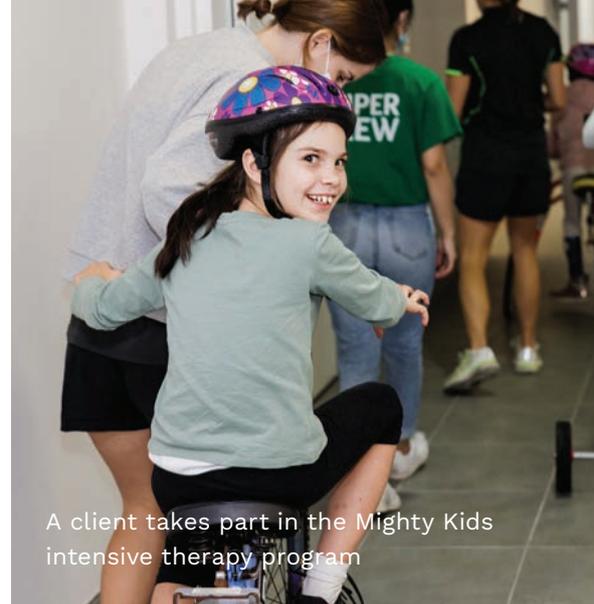
Supporting babies at risk

One of our biggest milestones of the last year was the launch of a second Early Diagnosis Clinic at Randwick. Operated in partnership with Sydney Children's Hospital Network Randwick, the clinic is the second of its type in the world and follows our successful early diagnosis clinic at Prairiewood. Combined, the two clinics provided ongoing support to over 70 babies and their families.

Our 'Babies at Risk' program, which bridges the gap between diagnosis and NDIS funding, supported 242 infants to access 3,850 hours of vital early intervention therapy. This donor-funded service is unique and is informed by Cerebral Palsy Alliance research that demonstrates the first months of life are the most crucial for infants at risk of cerebral palsy.

Expanding our community reach

We continued to expand our reach with the opening of a state-of-the-art site in North Wollongong, providing much-needed therapy services to the Illawarra region. Since opening its doors in late May, the site has



A client takes part in the Mighty Kids intensive therapy program

supported nearly 140 clients. Combined with the first full year of operation of our new Erina site, these new facilities deliver on our promise to continually invest in the best possible environment for clients.

As a key partner of the National Disability Insurance Scheme through our role as NDIS Early Childhood Partner in Northern Sydney, we are a vital community hub for nearly 1,500 children and their families.

Our team supported 662 new children during the year and delivered 32 parenting workshops to more than 650 people. Our collaborative relationship with the community includes establishing ties with the Aboriginal and Torres Strait Islander Health Service and taking the lead on culturally and linguistically diverse communications through our 'Inclusion Community of Practice' approach.

There are more than 180 different treatments for cerebral palsy, and this dizzying array of options can be overwhelming for families.

A landmark academic paper, published in *Developmental Medicine & Child Neurology* this year, has taken a major step forward in providing new International Clinical Practice guidelines to ensure the best outcomes for kids with cerebral palsy.

Developed in consultation with families and clinicians, the guide provides 13 recommendations that will give children the best chance for independence says Cerebral Palsy Alliance's Chair of Allied Health at The University of Sydney, Professor Iona Novak.

"This is a curated source of information that has been co-written by parents, so it pulls together the things that are most likely to work because every parent wants things that help their child, filtering through the enormous amount of choices and tells parents which ones are most likely to deliver their child's goals," she says.

The new paper is one of more than 50 academic papers published by Cerebral Palsy Alliance researchers this year.

Paralympian Ben Tudhope



STEPtember ambassador and long-time Cerebral Palsy Alliance client, Ben Tudhope, was named co-captain of Australia's Beijing 2022 Snowboarding Paralympics team and won the bronze medal in the Men's Para-Snowboard Cross SB LL2 event. The team included three para-athletes with cerebral palsy.

Cerebral Palsy Alliance boccia star, Spencer Cotie, also did his country proud in the BC3 doubles. We also cheered on STEPtember ambassador and long-term client Ben Tudhope, who carried the Australian flag at his third Winter Paralympics and came home with a bronze medal in the SB-LL2 snowboard competition.

Further silverware followed in May, when five young stars from our Cerebral Palsy Alliance sports program were named in the inaugural ParaMatildas squad to represent Australia at the first-ever women's CP Football World Cup.

Innovation improving service

Clients are also benefiting from our continual focus on technology and innovation. Nearly 3,000 clients accessed therapy in the comfort of their own homes through our cutting-edge 'CPA@home' telepractice offering, providing an important ongoing source of therapy for people in lockdown and isolation. Hours of telepractice delivery increased by an impressive 259% year-on-year.

Our unique equipment services workshop has given improved independence and mobility to nearly 150 clients over the last year through bespoke seating modifications, assistive technology repairs and custom-built wheelchair seating systems.

Sport and recreation

Our holistic approach to client services extends beyond therapy as we work with our clients on activities that will further enrich their lives. Our sport and recreation programs are always popular, whether it's learning how to swim or competing internationally.

And nowhere was the Australian cerebral palsy community's outsized influence and impact on the global stage clearer than in the sports arena. Australian athletes with cerebral palsy dominated at the Tokyo Paralympics, bringing home 10 gold medals and 22 medals in total.

Leading independent lives

Cerebral Palsy Alliance delivers the highest standard of service across more than 100 supported independent living homes.

Despite COVID-19 impacting our homes, we were still able to deliver in excess of 258,000 hours of Lifestyles programs, both out in the community and in our dedicated centres. Our respite team provided an invaluable service in supporting the wellbeing of carers and families, completing in excess of 7,000 short-term stays and 168,840 hours of service.

Pleasingly, clients across all Cerebral Palsy Alliance services continue to rate our services highly. We maintained our net promoter score of +63, significantly ahead of the sector benchmark – a testament to the bedrock that underpins our entire offering, our people.



Nic Esposito is a much-loved fixture in the Cerebral Palsy Alliance community, proudly motivating over 120,000 annual participants as a STEPtember trainer and raising vital funds through Cerebral Palsy Alliance's Krazy Kosci Klimb.

But summiting Mount Kosciusko is all in a day's work for Nic, who has overcome all the odds to reach such heights. Born 15 weeks premature and given a 5% chance of survival at birth, Nic spent four months in neonatal intensive care and was diagnosed with spastic quadriplegia.

With a steely determination, supportive family and a zest for life, Nic has achieved amazing things. He currently works for the National Rugby League's community wellbeing team, meeting professional sportspeople as a motivational speaker, sharing his story and helping to raise awareness and understanding of cerebral palsy.

This passion for people has been nurtured and inspired by Cerebral Palsy Alliance, particularly his dedicated team of therapists Stacey, Rob and Johnny. These influences have led him to pursue a lifelong goal – to become a motivational speaker and be a voice for people with a disability.

“Cerebral Palsy Alliance has helped me a lot with my daily life and throughout the years they've helped with my physical needs as well. I feel very proud to hopefully give back in the small way that I can and bring more eyes and awareness to cerebral palsy,” says Nic.

Building exceptional teams

We are enormously proud of our workforce, which is now more than 2,500-strong. A supportive and progressive culture has seen our team thrive despite challenging circumstances interrupted by periodic lockdowns.

Training Alliance, our award-winning registered training provider, delivered nearly 41,000 courses for Cerebral Palsy Alliance employees, with 331 employees supported to access further external professional development. In total, Training Alliance products are utilised by 50 organisations on everything from disability awareness to client safety.

Our operations team oversaw 133 client services locations across NSW and ACT, supporting the launch of new sites in Wollongong and the Central Coast, as well as preparations for a major new therapy site at Roselands in south-east Sydney.

The last twelve months has also seen our Model of Care, an outcomes-driven framework putting each client and family at the centre of service delivery, embedded across the organisation. Our commitment to clients was also seen in our rapid roll-out of COVID-19 vaccines, as we worked tirelessly with public health authorities to establish a pop-up clinic that inoculated more than 1,500 vulnerable and high-priority clients and staff.

Enabling diversity and inclusion to thrive

A key priority over the last twelve months has been the expansion of our diversity and inclusion initiatives, represented by four working groups – CultureConnect, for culturally and linguistically diverse employees, RainbowConnect, for LGBTQIA+ employees and allies, ConnectiBility for employees who identify as having a disability, and our Aboriginal and Torres Strait Islander group, Burbangana.

For Lauren Marcos, an Exercise Physiologist at Cerebral Palsy Alliance Penhurst, it's all about the little wins that add up to huge victories.

“It's such a rewarding career being an Exercise Physiologist. You always come away with a smile on your face when your clients achieve these small wins. And it's really about those small wins. Coming into the gym, working on whatever they're doing, then leaving a lot better than when they came in,” she says.

Lauren has been there for some of the biggest moments in her clients' lives, working tirelessly to help make them happen, through individualised exercise programs that enable clients to accomplish their goals on their own terms. Whether it's completing a fun run, climbing Mount Kosciusko or walking down the aisle at their wedding, Lauren is there.

Lauren understands the importance of collaboration in order to do her work. By joining forces with the talented staff in other sectors of Cerebral Palsy Alliance, our clients can build support systems across the organisation and tackle their goals from every angle.

“Cerebral Palsy Alliance offers a lot of multidisciplinary approaches within the company so it's really nice to work with Physiotherapists, Occupational Therapists and other disciplines who are also working on our clients' goals.”

Our Reflect Reconciliation Action Plan, the groundwork for stronger engagement with First Nations Peoples, was approved by Reconciliation Australia and has begun to be implemented across the organisation.

“We're committed to doing our part in this journey towards healing this country, and will build strong foundations as we move towards reconciliation”, said Rob White, Cerebral Palsy Alliance Chief Executive Officer.

Our volunteer community

Cerebral Palsy Alliance has a wonderful community of volunteers who offer their skills and time across a variety of areas, from assisting at our events, to supporting projects and our clients. Over 1,500 volunteers donated upwards of 11,000 hours towards our clients.

Testament to the strength of our volunteer team is four Cerebral Palsy Alliance volunteers were recognised with awards by the NSW Centre for Volunteering's annual prizes.



Exercise Physiologist
Lauren Marcos supports
a range of clients to
accomplish their goals
on their own terms



Dr Madison Paton, an expert in regenerative medicine at Cerebral Palsy Alliance and recipient of the White Coats Foundation's 2022 'Power of One' grant

An Australian-first study found that collecting and storing cells from a baby's umbilical cord blood and later transferring them to a sibling who has cerebral palsy, is safe.

The five-year study is the first clinical trial of stem cells and cerebral palsy in Australia, and therefore a major step forward on the research pathway towards making stem cell treatment widely available.

"We know that people with cerebral palsy and their families want more research into potential therapies, and this study is an important step forward in demonstrating the safety of using cord blood cells in an Australian hospital setting," said Professor Nadia Badawi, Cerebral Palsy Alliance Chair of Cerebral Palsy Research at The University of Sydney.

The study was made possible by researchers from Cerebral Palsy Alliance, the Murdoch Children's Research Institute and Cell Care Australia.

Breaking new ground through innovation

Cerebral Palsy Alliance's research team plays a foundational role in Cerebral Palsy Alliance's position as the global centre of expertise for cerebral palsy. Since being established in 2005, our research division has grown to 40 people – the largest dedicated group of cerebral palsy specialists globally. Four of the top eleven cerebral palsy experts in the world work at Cerebral Palsy Alliance.

In 2022, our researchers published 54 academic papers and presented at dozens of global conferences, webinars, consumer research briefings and collaborated on several significant international projects.

After an enforced hiatus due to Covid in 2021, the Cerebral Palsy Alliance Research Grants program returned bigger and better than ever this year, awarding a record \$8.4 million in research funding to 90 projects across 35 academic institutions in 25 countries, including 23 grants to projects located in lower- and middle-income countries.

Research-led innovation

Our research is informed by the priorities of clients and their families – 80 of whom are actively involved in research through CP Quest, our industry-leading consumer engagement group. This constant input has led to the development of four programs of research – early detection and intervention, epidemiology (the study of incidence and distribution of a condition), technology and regenerative medicine (stem cell therapies).

Our early detection and prevention team works seamlessly with Cerebral Palsy Alliance therapists on our Babies at Risk program and Early Diagnosis Clinic while also pioneering new ways to diagnose infants with cerebral palsy. A key achievement in 2022 has been the largest-ever clinical trial of babies with cerebral palsy, the GAME trial, which is testing the effectiveness of a new therapy model in infants. More than 300 children are currently involved in the study across four states.

In epidemiology, our researchers had continued success with CMV Awareness Month, raising the profile of a common virus that causes CMV. More than 14 million people were reached by this year's awareness campaign, held in June, while an e-Learning course in partnership with the Australian College of Midwives has trained more than 1,300 midwives in CMV prevention.



Dr Petra Karlsson, Cerebral Palsy Alliance Research's Program Leader for Technology, has pioneered breakthroughs in eye-gaze technology and assistive tech



This year also saw the launch of two further landmarks – the first academic study of global cerebral palsy trends in a decade, finding a 25% reduction in the rate of cerebral palsy, and the launch of a global genomics consortium to study the genome's role in causing cerebral palsy.

Our regenerative medicine program also enjoyed a significant year, headlined by the collaborative 'SCUBI-CP' trial, Australia's first-ever clinical trial of stem cells in children with cerebral palsy. The trial demonstrated feasibility of administering cord blood in an Australian setting, demonstrated the safety of the treatment and paving the way forward for further stem cell trials.

Driving inclusion through technology

With the launch of a US pilot program, a new fellowship, and new partnerships with TPG Telecom and Smartjobs, 2022 was a huge year for tech start-up division, Remarkable.

A further eight disability tech startups progressed through the program, which is Australia's first and only accelerator dedicated to assistive technology. In total, 41 startups have graduated from Remarkable, serving more than 120,000 customers and attracting over \$29m in total investment.

One of the 2022 alumni commented: "Remarkable was a pinnacle experience for our little team. It made a lifetime difference for our staff and added HUGE momentum to our company story."

Previous alumni, including ResusRight, Bump'n and CPTOys continue to develop new prototypes and initiatives to improve the lives of people with disability.

ResusRight, an Australian-based medtech start-up supported by Cerebral Palsy Alliance funding, made further inroads into its newborn resuscitation technology with the launch of the ResusRight Juno Training Monitor.

The Juno is designed to improve the effectiveness of skills training on neonatal manikins by providing accurate and objective feedback on resuscitation technique.

As an alumnus of Remarkable, ResusRight is at the forefront of a new generation of medical technology that has the potential to make major breakthroughs in reducing cerebral palsy and similar disabilities.

"Every year, 10 million babies require resuscitation. ResusRight is a great example of technology and science working together to improve the outcomes of people with a disability – in this case the youngest and most vulnerable in our community," says Pete Horsley, Founder of Remarkable.



Cerebral Palsy Alliance has supported the work of Dr Mark Tracy, a neonatal specialist at Westmead Children's Hospital, to help create the ResusRight device

Harnessing the power of community

Our community is the engine room of Cerebral Palsy Alliance. Friends, supporters, donors, corporate partners, families and people with lived experience all combine to make Cerebral Palsy Alliance what it is.

A crucial enabler is our fundraising division, which enjoyed a stunning year in 2022. Funds raised during STEPtember, our headline mass participation event, increased by 63%, with 134,435 participants raising a massive \$18.66 million.

Coupled with a successful second year of our March virtual cycling event, The Extra Mile, and events like The Escape, Grace Gala and 20/Twenty Challenge, the fundraising team enjoyed a record year.

We have also built a powerful and wide-reaching community online, with in excess of 230,000 people following Cerebral Palsy Alliance channels on social media. This footprint has given us a valuable tool for sharing the stories, journeys and lived experience of people with cerebral palsy and enabling us to celebrate our clients.

This focus on telling truths and sharing stories was also seen in the launch of our first-ever podcast, Cerebral Conversations, which first aired in September 2021. Audiences tuned-in in big numbers to hear personalities including Tracey Spicer and Naomi Simson interview inspirational figures such as Hannah Diviney and Professor Nadia Badawi AM, and with more than 7,000 downloads the podcast peaked at #124 in the top 200 global podcasts.



Nick Lapsley wanted to make a splash to celebrate his 21st birthday. But rather than celebrate himself, Nick decided to give back to Cerebral Palsy Alliance.

Since being diagnosed with cerebral palsy at 18 months of age, Nick has been supported by Cerebral Palsy Alliance services including occupational therapy, speech therapy, gym sessions, mentoring, youth camps and advocacy community, CPActive.

To raise funds for Cerebral Palsy Alliance, Nick created '20km with 20 Mates' - a fundraiser challenging himself and 19 friends from our swimming program to swim 1km each. The target of 20km, chosen to represent the fact that a baby is born with cerebral palsy in Australia every 20 hours, was a massive success, raising \$15,000.

"I have been privileged to receive incredible support and life guidance from Cerebral Palsy Alliance resources and staff, who have allowed me to challenge myself in all aspects of life... things that other people my age often take for granted," says Nick.

Providing platforms for new voices

Another community to grow substantially in 2022 was CPAActive, our grassroots advocacy community. With more than a dozen successful events featuring Paralympians, Australian of the Year Dylan Alcott and other special guests, the CPAActive community has grown to more than 2,300 active supporters, forming a powerful platform for creating lasting and meaningful change for people with disabilities.

The CPAActive platform was effectively harnessed in the lead-up to the 2022 Federal Election as part of the 'Defend our NDIS' campaign, supported by Cerebral Palsy Alliance through the peak body for disability service providers, NDS. A targeted public event on the Central Coast, NSW, organised by our influence team, was attended by sitting member, Dr Gordon Reid.

From the local lens to the global, World CP Day, founded by Cerebral Palsy Alliance a decade ago, continues to go from strength to strength. Held annually on October 6, the campaign unites people with cerebral palsy, their families, supporters and organisations across more than 100 countries with the aim to ensure a future in which children and adults with cerebral palsy have the same rights, access and opportunities as anyone else in our society.

A milestone in our advocacy work this year was the 'Defend our NDIS' campaign. Cerebral Palsy Alliance joined forces with disability activists, community campaigners, service providers and everyday Australians to mark a 'National Day of Action' for the National Disability Insurance Scheme.

In the lead-up to the federal election, we partnered with Every Australian Counts to celebrate the NDIS with a community morning tea featuring entertainment, guest speakers and media.

Rachael McGlynn, Therapy Services Manager at our Erina centre, facilitated a panel discussing their lived experience of disability and the NDIS, including Para-athlete Tahlia Blanshard - a long-time client and inaugural ParaMatildas squad member.

The 2021 theme, 'Millions of Reasons', drew on the global cerebral palsy community to crowdsource reasons for celebrating and campaigning for a truly inclusive and diverse society. The approach generated strong results, with the campaign reaching 73 million people, an increase of 180% year-on-year.

We also continue to expand our influence through policy and advocacy, working to shape the NDIS through our leading position in industry bodies Alliance20 and National Disability Services. We were pleased to meet with new Federal Minister for the NDIS, the Hon. Bill Shorten, in June 2022, and look forward to a strong working relationship to ensure that the NDIS delivers on its promise of a world-class scheme to support Australians with disability.



Clients, staff and community supporters at the 'Save our NDIS' Day of Action

Our Sincere Thanks



We acknowledge the continued dedicated support and commitment of our corporates, trusts, foundations, community and individual donors who not only showed generosity through their financial contributions to Cerebral Palsy Alliance, but who also provided meaningful volunteering and advocacy.

Our sincere thanks are extended to The Hon. John Dowd AO QC, Goodwill Ambassador and The Hon. Margaret Reid AO, our ACT patron for their loyalty and guidance over many years.

We thank the Council of Governors of the Cerebral Palsy Alliance Research Foundation for their incredible support and commitment throughout the year.

We also acknowledge Nick Moraitis AM, who passed away this year after a lifetime of dedicated philanthropy and tireless support of Cerebral Palsy Alliance.

We celebrate the 2,500 incredibly talented and dedicated staff, and our passionate volunteers, all of whom make such a difference in the lives of people living with disability and their families. We are incredibly proud of their resilience and flexibility during these unprecedented and challenging times. We are also so grateful to our clients for their unwavering support and loyalty over the past year.

Finally, we thank all members of our Board of Directors, who have been so generous in committing their time and expertise to the stewardship of our organisation.

P. Masi *Rob White*

Paul Masi / Rob White

With the support of Cerebral Palsy Alliance, Arran has climbed mountains, appeared on our podcast, competed at international sporting competitions and so much more. We are championing Arran in his mission to be Australia's first Prime Minister with cerebral palsy

Directors' Report

30 June 2022

The Directors present their report together with the financial report of Cerebral Palsy Alliance ('the Company') and the Group, being the Company and its controlled entities, for the year ended 30 June 2022 and the auditor's report for this period.

The Directors of the Company during the year and at the date of this report were:

Paul Masi BEc, MAICD

Paul has been a Director since March 2013. He is Chair of the Board of Directors and a member of the Finance and Audit Committee, the Services and Marketing Committee and the People, Culture and Organisational Development Committee.

Paul is a Non-Executive Director of Shaw and Partners Ltd, Argus Property Partners and GTK Pty Ltd, Chair of Greenwich Capital Partners Pty Ltd, and holds Board appointments with The Girls and Boys Brigade and Chairs The Girls and Boys Brigade Foundation.

Paul was Chief Executive Officer and Managing Director of Austock Group from March 2010 to March 2012. Formerly he was Country Head and Chief Executive Officer of Bank of America Merrill Lynch in Australia.

Paul's daughter Grace, has a genetic disorder (NGLY1) which manifests in many cerebral palsy like conditions. Grace has received services from the Company for over 15 years.

Andrew Buchanan PSM, MAICD, AIMM

Andrew has been a Director since August 2010. He is Deputy Chair of the Board of Directors, Chair of the Research Committee and Chair of the Fundraising Committee.

In 2011, after eight years in the role, Andrew retired as Chair of the Disability Council of NSW, the official disability advisory body to the NSW Government. He has more than 40 years' experience in broadcasting, communications and media, having spent his career at the ABC.

Andrew is the Principal of AB Communicates where he advises on communications and media. He also manages his winery at Queens Pinch Vineyard in Mudgee.

Andrew contracted polio in April 1950 when he was two days old and is paralysed on his right side. Andrew's mother contracted polio when she was in labour with Andrew and was paralysed from the chest down. Andrew received services from the Company when he was a child.

Stuart Comino B. Com, Executive MBA, CA GAICD

Stuart has been a Director since September 2017. He is Chair of the Finance and Audit Committee.

Stuart is Finance Director for Stryker South Pacific, the ANZ division of the leading global medical technology company Stryker. Previously, he has held senior positions in finance and general management with Coca-Cola Amatil (CCA) over a 26 year career, including CFO for CCA's Australian and Indonesian businesses. Prior to his extensive career at CCA, Stuart held various roles at Coopers and Lybrand.

Stuart holds a Bachelor of Commerce degree from UNSW, an Executive MBA from The Australian Graduate School of Management, is a member of the Institute of Chartered Accountants Australia and New Zealand, and a graduate of the Australian Institute of Company Directors.

Stuart's brother Peter had cerebral palsy and benefitted during his life from the services provided by the Company. Stuart has a passion to ensure that people with cerebral palsy have the best possible quality of life through access to the life changing equipment and services provided by the Company. He is committed to supporting the Company achieve its mission, particularly through helping to raise funds for vital research into the cause, treatment and prevention of cerebral palsy.

**Kathryn Dent MLLR LLB (Hons), GAICD, CAHRI,
Accredited Specialist in Employment and Industrial
Law (Law Soc of NSW)**

Kathryn has been a Director since August 2013. She is Chair of the People, Culture and Organisational Development Committee and a member of the Research Committee and the Finance and Audit Committee.

Kathryn was admitted as a lawyer in 1994. She has practised exclusively in workplace relations law for over 20 years.

Kathryn is a Partner at HWL Ebsworth Lawyers. She has a particular interest in workforce development and human resources management in the disability sector and acts for a number of employer clients across the not-for-profit sector including those in the disability services sector.

Johanna Garvin

Johanna has been a Director since August 2018. She is a member of the Research Committee.

Johanna is currently employed at Create NSW as a Communications Officer in its Strategic Communications Unit. Johanna supports the team to promote the work of the organisation, to showcase the strength of NSW's creative industries, and to develop the organisation as a leader in creating awareness and opportunities for diverse groups.

Johanna holds a Bachelor of Communications and Media at the University of Notre Dame Australia. In 2018 Johanna was the first Australian to complete seven marathons, on seven continents, in seven days in a wheelchair for the World Marathon Challenge. Johanna undertook this challenge to raise both funding and awareness for the Company.

Johanna has cerebral palsy and lived experience of the services provided by the Company.

John Sintras GAICD

John has been a Director since June 2018. He is a member of the Fundraising Committee and the Services and Marketing Committee.

John was previously a member of the Board from August 2009 until his resignation in January 2016 following his decision to relocate to New York where he was employed as President of Global Business Development and Product Innovation at IPG Mediabrands. During his period in New York, John served as one of the founding Directors on the Cerebral Palsy Alliance Research Foundation Inc.

In early 2018, John returned to Sydney, and commenced as Chief Audience and Content Officer at SBS, Australia's multicultural and Indigenous broadcaster, where he had end-to-end oversight of SBS's Audience and Content strategy – specifically its brands, marketing approach, audience engagement and analytics.

Most recently John was Managing Partner at management consultancy discidium, which he co-founded in early 2020, in addition to serving as Chief Growth Officer for neobank startup Alex. He has just commenced a new role as President, US & Multination for Mutiny Group, and will help scale this exciting Australian technology company globally.

John's daughter Lia has cerebral palsy and has lived experience of the services provided by the Company.

Leanne Wallace B App Sc (Hons), MBA, GAICD

Leanne has been a Director since May 2016. She is Chair of the Services and Marketing Committee and a member of the People, Culture and Organisational Development Committee.

Leanne is a Senior Adviser at Nous Group with a focus on consultancy services for government.

Prior to joining Nous in 2009, Leanne worked for over 30 years in the NSW public sector including being appointed as Deputy Director General, Public Sector Workforce Office with the NSW Department of Premier & Cabinet and Director, Primary and Community Health for NSW Health.

In 2014 Leanne was awarded a National Fellow of the Institute of Public Administration Australia.

Leanne is Chair of the Board for Jannawi Family Centre and a Board Director for Jannawi Connections.

Jacqui Wisemantel MAICD

Jacqui has been a Director since November 2014. She is a member of the Fundraising Committee and the Services and Marketing Committee.

Jacqui is currently a Director at WiseHart Events and for the past 25 years has worked in the media, marketing and communications sectors, specialising in event production, fundraising, project management and public relations.

Jacqui's daughter Lara has cerebral palsy and has lived experience of the services provided by the Company. Jacqui is passionate about fundraising, education and promoting the services and work of the Company and for those living with cerebral palsy.

Bob Easton, MAPP, MBA, M Def Stud, Grad Dip Soc Sci (Psych), BCA, MAICD, Hudson Institute certified Coach, International Coach Federation certified coach (ACC)

Bob has been a Director since May 2021.

In April 2022 Bob retired as Chairman of Accenture in ANZ. Over a 25-year career at Accenture he lived and worked across several countries with some of the world's largest businesses spanning many industries. Bob served as a member of Accenture's Global Leadership Committee from 2015 until his retirement. Prior to joining Accenture, Bob spent twenty years with the New Zealand Army.

In April 2022 Bob founded Easton Coaching, an organisation focused on executive, life, career, and transformational coaching.

In 2018 Bob received a life-time achievement award from Trust Across America, Trust Across the World for his thought leadership and contributions to building trust-based relationships in business. Bob was awarded two fellowships: Doctor of Management Design Fellow and Fellow, Fowler Center for Sustainable Value from Case Western Reserve University (USA).

Bob is a Non-Executive Director of the Positive Education Schools Association (PESA); an Advisory Board member of the David L. Cooperrider Center for Appreciative Inquiry; an Advisory Board member of the Organisation and Work Division - International Positive Psychology Association (IPPA); and a prior Board member of the Mercer Boys and Girls Club, New Jersey, USA.

Bob's adult son Ben has cerebral palsy and has lived experience of the services provided by the Company and services provided in several countries Ben has lived in outside of Australia.

Shaan Batcha

Shaan was appointed as a Director in August 2022.

Shaan is currently employed at Google Australia where he is part of the enterprise network operations team and is considered a subject matter expert in network monitoring. Shaan has a Masters degree in Network Systems from Swinburne University which he completed in 2005 and a Bachelor's degree in Computer Science that he completed in 2002. Aside from his day job, Shaan likes teaching mathematics to his son, researching technology and ideas to assist his son's learning, and playing badminton and chess. Shaan's son was born prematurely at 24 weeks and was later diagnosed with cerebral palsy. The years of passionate advocacy that followed and the journey of setting goals and developing skills through physiotherapy, occupational therapy and speech therapy have given Shaan lived experience and taught him the need for being an added voice for those with cerebral palsy. Shaan's son has benefited immensely from multi-disciplinary services from the Company for many years.

COMPANY SECRETARY

The Company Secretary during the year and at the date of this report is:

Emma Rudd UNSW BCom/LLB, UNSW LLM, MAICD

Emma has been Company Secretary of the Company and its subsidiaries since September 2019 when she started in the position of General Counsel. Emma was admitted as a solicitor in 1999. Prior to joining the Company, Emma was General Council with an Australian based mobile technology company and prior to that practiced law in the Corporate team of Herbert Smith Freehills for over 15 years.

THE BOARD OF DIRECTORS' MEETINGS

The number of Directors' meetings (including meetings of committees of Directors) and number of meetings attended by each of the Directors of the Company during the financial year were:

	Board of Directors' Meetings		Finance and Audit Committee Meetings		People, Culture & Organisational Development Committee Meetings		Services and Marketing Committee Meetings		Fundraising Committee Meetings		Research Committee Meetings		Property Committee Meetings	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended
Board Members	9	9	3	3	4	4	3	3					1	1
Paul Masi	9	9							2	2	6	5		
Andrew Buchanan	9	9	3	3									1	1
Stuart Comino	9	8	2	2	4	4					6	6		
Kathryn Dent	9	8									6	4		
Johanna Garvin	9	9					3	2	2	2				
John Sintras	9	8			4	4	3	3						
Leanne Wallace	9	7	1	0			3	2	2	1			1	0
Jacqui Wisemantel	9	7												
Bob Easton														

BOARD COMMITTEES

The agenda for each Committee meeting is prepared in conjunction with the Chair of the relevant Committee. Papers and submissions are distributed to Committee members in advance and each Committee is free to invite members of management or others to attend meetings, or take external advice, when considered appropriate.

Details of the purpose and function of these Board Committees follow.

Finance and Audit Committee

The Finance and Audit Committee enhances the credibility, objectivity and accountability of the Company by assisting the Board in discharging its responsibilities in relation to financial management, monitoring and controlling risk, internal control systems and reporting financial information.

The Committee also provides a forum for communication between the Board, senior financial management and the external auditors.

People, Culture & Organisational Development Committee

The People, Culture & Organisational Development Committee advises and makes recommendations to the Board on the development, implementation and review of policies in the Human Resources and Industrial Relations areas, including any references from the Board in respect of Human Resources management and Industrial Relations.

Services and Marketing Committee

The Services and Marketing Committee reviews, advises and makes recommendations to the Board on the nature and scope of service practice and delivery within the Company and considers matters related to the marketing activities of the organisation.

The Committee also consults with stakeholders about effective service delivery.

Fundraising Committee

The Fundraising Committee considers matters related to the organisation - its cause and its clients, community and corporate partnerships and programs and opportunities for increasing funds from both existing and new fundraising ventures.

The Committee also advises and makes recommendations on the financial viability, ethics and legal aspects of existing and proposed fundraising programs.

Research Committee

The Research Committee considers all submissions regarding research in terms of the effective use of organisational resources, applicability to people with cerebral palsy and the alignment to priorities within its research agenda.

BOARD COMMITTEES (CONTINUED)

Property Committee

The Property Committee assists the Board in fulfilling its responsibilities in regard to maximising the opportunity in the utilisation and management of the land and property owned by the Company.

The Committee also advises and makes recommendations regarding appropriate controls to provide assurance and safeguards around the operational risks related to the management of the Company's property interests.

The Property Committee was discontinued on 27 October 2021.

GOVERNANCE

The Company and its controlled entities are companies limited by guarantee with the exception of The Cerebral Palsy Foundation Pty Ltd which is a proprietary limited company. The Company is governed by Directors who are elected by the members in a general meeting. Any member of the Company is eligible to be elected to the Board, if correctly nominated.

The Constitution limits the number of Directors to a minimum of five and a maximum of ten. In general, one third of the Directors retire each year but may seek re-election. However, the retirement by rotation provisions do not come into effect until the AGM in November 2023, being two years after the new Company Constitution was adopted.

The 2022-2025 Strategic Plan articulates the following:



DIRECTOR EDUCATION

The Company has a formal process to educate new Directors about the nature of the organisation, current issues, the corporate strategy and the expectations of the Company concerning performance of Directors.

Directors also have the opportunity to visit Company facilities and meet with management to gain a better understanding of its operations. Directors are given access to continuing education opportunities to update and enhance their skills and knowledge, including access to the full suite of Australian Institute of Company Director courses.

PRINCIPAL ACTIVITIES AND OBJECTIVES

The principal activities of the Company and its controlled entities are to provide access to a range of services and facilities to children and adults with cerebral palsy and their families in NSW and the ACT and, where applicable, to people with other disabilities who can benefit from the services.

There were no significant changes in the nature of the activities of the Group during the year.

The long-term objective of the Company is an inclusive society for people with cerebral palsy and their families.

In April 2022 the Board approved the Strategic Plan for 2022-2025, mapping out how the Group will continue to invest in services, research, people, processes and infrastructure to enable it to achieve its strategic objectives.

OPERATING AND FINANCIAL REVIEW

The deficit of the Group for the financial year was \$5,323,000 (2021: surplus of \$19,022,000). The Company and each of its controlled entities are exempt from Income Tax.

STATE OF AFFAIRS

Over the year the Group supported around 6,000 clients with a workforce of some 2,500 employees.

The Group continues to be significantly impacted by the COVID-19 pandemic particularly in the ability to deliver services in Individual and Family Support, Employment and Community Access Services. As in the previous year, when required, services have been delivered through telehealth services and redirected to in home accommodation services and staff have been set up to work remotely.

In July 2021 Cerebral Palsy Alliance entered into a non-binding agreement with the New South Wales Government department of Planning, Industry and Environment in respect of the compulsory acquisition of part of the land to which it has freehold title at Allambie Heights. The compulsory acquisition was completed in June 2022, and included total compensation of \$37.1 million and profit on disposal of \$2.9 million.

In the opinion of the Directors there were no significant changes in the state of affairs of the Group that occurred during the financial year under review that are not otherwise disclosed in this report or in the financial statements.

ENVIRONMENTAL REGULATIONS

The Group's operations are not subject to any significant environmental regulations under either Commonwealth or State legislation. The Board believes that the Group has adequate systems in place for the management of its environmental requirements.

SUBSEQUENT EVENTS

As at the date of this report, the future impact of COVID-19 on the domestic economy and the impact on Cerebral Palsy Alliance remains uncertain. Cerebral Palsy Alliance has and continues to monitor this situation.

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company, to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group, in future financial years.

DIVIDENDS

The Company and its controlled entities are prohibited by their Constitutions from paying dividends to members.

LIKELY DEVELOPMENTS

The Directors do not believe it likely that there will be any material changes in the operations of the Group for the next twelve months.

TAX DEDUCTIBILITY OF DONATIONS

The Company is a deductible gift recipient as defined in the Income Tax Assessment Act. Donations of \$2.00 or more are tax deductible in Australia.

DIRECTORS' BENEFITS

Since the end of the previous financial year, no Director received or became entitled to receive remuneration. The Board members of the Company provide their time and expertise on an entirely voluntary basis and receive no fees, salaries or benefits for the work that they undertake on behalf of the Board.

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

Under its Memorandum and Articles of Association (“Constitution”), the Company must indemnify current and past Directors and Officers for any liability incurred by them as a Director or Officer of the Company or its related bodies corporate to the extent allowed under law. The Constitution also permits the Company to purchase and maintain a Directors and Officers’ insurance policy.

The Company has entered into agreements with current Directors and certain former Directors where they are indemnified from any loss, expense or damage in accordance with the terms and subject to the limits set by the Constitution.

The agreements stipulate that the Company will meet the full amount of any such loss, expense or damage, allowed under the law. The Company is not aware of any liability having arisen, and no claim has been made against the Company during or since the period ended 30 June 2022 under these agreements.

No indemnity has been granted to an auditor of the Company in their capacity as auditor of the Company, or any related body corporate.

Since the end of the previous financial year, the Company has paid premiums in respect of directors’ and officers’ liability and legal expenses insurance contracts. These insurance contracts insure against liability (subject to specific exclusions) for persons who are or have been directors or executive officers of the Company.

The Directors have not included details of the nature of the liabilities covered nor the amount of the premium paid in respect of the directors’ and officers’ liability and legal expenses’ insurance contracts, as such disclosure is prohibited under the terms of the contract.

ROUNDING OFF

The Company is an entity to which ASIC Corporations (Rounding in Financial/Directors’ Reports) Instrument 2016/191 applies and, accordingly, amounts in the financial statements and Directors’ Report have been rounded to the nearest thousand dollars, unless otherwise stated.

LEAD AUDITOR’S INDEPENDENCE DECLARATION

The Lead Auditor’s Independence Declaration is set out on page 48 and forms part of the Directors’ Report for the financial year ended 30 June 2022.

MEMBERS

As at 30 June 2022 there were 148 members (2021: 168 members) of the Company.

In accordance with the Company’s Constitution, each member of the Company has a maximum liability of \$20 in the event of the Company being wound up while he/she is a member (or within one year after he/she ceases to be a member) for payment of the debts and liabilities of the Company contracted before he/she ceased to be a member.

There are four categories of members: Members with a Disability; Support Members; Honorary Life Members; and Invited Members.

Signed in accordance with a resolution of the Directors:



P. Masi
Director
Sydney
28 September 2022



S. Comino
Director
Sydney
28 September 2022

Directors' Declaration

In the opinion of the directors of Cerebral Palsy Alliance (the Company):

- (a) the consolidated financial statements and notes that are set out on pages 28 to 47 are in accordance with the Australian Charities and Not-for-profits Commission Act 2012; the Charitable Fundraising Act (NSW) 1991 and the Charitable Collections Act (WA) 1946 and Regulations including:
 - (i) giving a true and fair view of the Group's financial position as at 30 June 2022 and of its performance, for the financial year ended on that date; and
 - (ii) complying with Australian Accounting Standards – Reduced Disclosure Requirement and the Australian Charities and Not-for-profits Commission Regulation 2013;
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable;
- (c) there are reasonable grounds to believe that the Company and the Group entities identified in note 23 will be able to meet any obligations or liabilities to which they are, or may become subject to, by the virtue of the Deed of Cross Guarantee between the Company and those Group entities pursuant to *ASIC Corporations (Wholly owned Companies) Instrument 2016/785*; and
- (d) The internal controls exercised by the Group are appropriate and effective.

Signed in accordance with a resolution of the directors:



P. Masi
Director
Sydney
28 September 2022



S. Comino
Director
Sydney
28 September 2022

Consolidated Statement Of Financial Position

as at 30 June 2022

	NOTE	2022 \$'000	2021 \$'000
ASSETS			
Cash and cash equivalents	9	29,094	60,769
Trade and other receivables	10	51,219	9,034
Inventories		239	262
Investments	11	7,613	20,901
TOTAL CURRENT ASSETS		88,165	90,966
Investments	11	57,260	31,919
Property, plant and equipment	12	71,676	105,207
Right-of-use assets	12	7,502	8,601
TOTAL NON-CURRENT ASSETS		136,438	145,727
TOTAL ASSETS		224,603	236,693
LIABILITIES			
Trade and other payables	13	24,679	17,489
Government funding received in advance		2,356	1,534
Employee benefits	14	26,150	27,179
Lease liabilities	12	684	1,119
TOTAL CURRENT LIABILITIES		53,869	47,321
Trade and other payables	13	-	8,500
Employee benefits	14	2,556	2,554
Employee benefits - Defined Benefits	14	943	1,304
Lease liabilities	12	7,186	7,794
TOTAL NON-CURRENT LIABILITIES		10,685	20,152
TOTAL LIABILITIES		64,554	67,473
NET ASSETS		160,049	169,220
EQUITY			
General funds		162,789	167,463
Fair value reserve	15	(1,797)	3,061
Defined benefit reserve		(943)	(1,304)
TOTAL EQUITY		160,049	169,220

THE NOTES ON PAGES 33 TO 47 ARE AN INTEGRAL PART OF THESE CONSOLIDATED FINANCIAL STATEMENTS.

Consolidated Statement Of Comprehensive Income

for the year ended 30 June 2022

	NOTE	2022 \$'000	2021 \$'000
Revenue from government funding	4	19,102	20,142
Revenue from fundraising and bequests		42,680	35,018
Revenue from rendering of services		163,526	170,538
Revenue from sale of goods		626	750
Accommodation services expenses		(132,131)	(125,650)
Individual and family support expenses		(35,418)	(31,921)
Employment services expenses		(4,008)	(5,119)
Community access service expenses		(15,549)	(16,272)
Technical services expenses		(1,077)	(1,151)
Community education and information		(8,300)	(7,144)
Research grants and expenses		(6,374)	(7,503)
Fundraising expenses		(11,462)	(9,866)
Cost of goods sold		(440)	(552)
Gross surplus		11,175	21,270
Rental income		458	235
Capital grants		-	1,163
Other Income	5	4,833	19,596
Other Expenses	7	(26,333)	(24,086)
Gain on sale of property, plant and equipment		3,007	70
Results from operating activities		(6,860)	18,248
Finance income		1,814	1,088
Finance costs		(277)	(314)
Net finance income	8	1,537	774
(Deficit)/Surplus before income tax		(5,323)	19,022
Income tax expense	2(m)	-	-
(Deficit)/Surplus before income tax		(5,323)	19,022
Other comprehensive (expense)/income			
Net change in fair value of other investments	8	(4,209)	3,403
Defined benefit plan actuarial gain	14	361	1,515
Total other comprehensive (expense)/income, after income tax		(3,848)	4,918
Total comprehensive (expense)/income for the year		(9,171)	23,940

THE NOTES ON PAGES 33 TO 47 ARE AN INTEGRAL PART OF THESE CONSOLIDATED FINANCIAL STATEMENTS.

Consolidated Statement Of Changes In Equity

for the year ended 30 June 2022

	NOTE	General Funds \$'000	Fair Value Reserve \$'000	Defined Benefit Reserve \$'000	Total Equity \$'000
Balance at 1 July 2020		148,352	(253)	(2,819)	145,280
Surplus for the year		19,022	-	-	19,022
Other comprehensive income					
Net change in fair value of investments	8	-	3,403	-	3,403
Actuarial gain on defined benefit superannuation plans	14	-	-	1,515	1,515
Total other comprehensive income for the year		-	3,403	1,515	4,918
Total comprehensive income for the year		19,022	3,403	1,515	23,940
Transfer of gain on sale of investments classified as fair value through other comprehensive income		89	(89)	-	-
Balance at 30 June 2021		167,463	3,061	(1,304)	169,220
Balance at 1 July 2021		167,463	3,061	(1,304)	169,220
Deficit for the year		(5,323)	-	-	(5,323)
Other comprehensive income					
Net change in fair value of investments	8	-	(4,209)	-	(4,209)
Actuarial gain on defined benefit superannuation plans	14	-	-	361	361
Total other comprehensive expense for the year		-	(4,209)	361	(3,848)
Total comprehensive expense for the year		(5,323)	(4,209)	361	(9,171)
Transfer of gain on sale of investments classified as fair value through other comprehensive income		649	(649)	-	-
Balance at 30 June 2022		162,789	(1,797)	(943)	160,049

THE NOTES ON PAGES 33 TO 47 ARE AN INTEGRAL PART OF THESE CONSOLIDATED FINANCIAL STATEMENTS.

Consolidated Statement Of Cash Flows

for the year ended 30 June 2022

	NOTE	2022 \$'000	2021 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash receipts in the course of operations		227,507	262,068
Cash payments to suppliers and employees		(238,786)	(227,940)
Interest paid		(277)	(314)
Net cash from operating activities		(11,556)	33,814
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received		214	129
Distributions from trusts, dividends & imputation credits		86	-
Investment in bank deposits	11	15,106	(4,891)
Net purchase of other investments		(30,000)	-
Acquisition of property, plant and equipment	12	(4,734)	(4,337)
Proceeds from sale of property, plant and equipment		252	408
Net cash used in investing activities		(19,076)	(8,691)
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash (repayment)/receipts – Other COVID-19 support		-	(10,798)
Financing costs	8	-	-
Payment of lease liabilities		(1,043)	(1,212)
Net cash used in financing activities		(1,043)	(12,010)
Net increase in cash and cash equivalents		(31,675)	13,113
Cash and cash equivalents at the beginning of the financial year		60,769	47,656
Cash and cash equivalents at the end of the financial year		29,094	60,769

THE NOTES ON PAGES 33 TO 47 ARE AN INTEGRAL PART OF THESE CONSOLIDATED FINANCIAL STATEMENTS.

Notes to and forming part of

The Financial Statements

for the year ended 30 June 2022

1. Basis of Preparation	33
2. Significant Accounting Policies	33
3. Determination of Fair Values	39
4. Government Funding	39
5. Other Income	39
6. Remuneration of Auditors	40
7. Other Expenses	40
8. Finance Income and Finance Costs	40
9. Cash and Cash Equivalents	41
10. Trade and Other Receivables	41
11. Investments	42
12. Property, Plant and Equipment	42
13. Trade and Other Payables	44
14. Employee Benefits	44
15. Fair Value Reserve	45
16. Financing Facilities	45
17. Capital and Other Expenditure Commitments	45
18. Contingent Liabilities	45
19. Related Party Information	45
20. Right-Of-Use Assets Measured At Cost	46
21. Members' Guarantee	46
22. Company Details	46
23. Consolidated Entities / Deed of Cross Guarantee	46
24. Income And Expenditure – Fundraising Appeals	47
25. Subsequent Events	47

1. BASIS OF PREPARATION

Reporting entity

Cerebral Palsy Alliance (“the Company”) is a company limited by guarantee and is domiciled in Australia. The address of the Company’s registered office is 187 Allambie Road, Allambie Heights, NSW 2100. The consolidated financial statements as at and for the year ended 30 June 2022 comprise the financial statements of the Company and its controlled entities (together referred to as the “Group”). The Group is a not-for-profit entity.

The principal activities of the Group are to provide access to a range of services and facilities to children and adults with cerebral palsy and their families in NSW, the ACT and, where applicable, to other people with disabilities who can benefit from the services.

The financial report was authorised for issue by the Board of Directors on 28 September 2022.

a) Statement of compliance

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board and the Australian Charities and Not-for profit Commission Act 2012.

The Group adopted AASB 1060 *General Purpose Financial Statements – Simplified Disclosure for Profit and Not-for-Profit Tier 2 Entities* in the current year. Other than the change in disclosure requirements, the adoption of AASB 1060 has no significant impact on the consolidated financial statements because the group previously complied with Australian Accounting Standards – Reduced Disclosure Requirements.

In the opinion of the Directors, having regard to the not-for-profit nature of the Group’s business, the terms used in the prescribed format of the Statement of Comprehensive Income are not appropriate. “Profit or Loss” in the prescribed format of the Statement of Comprehensive Income has been substituted by “Surplus or Deficit”.

b) Basis of measurement

The consolidated financial statements have been prepared on a going concern basis with financial assets being measured at fair value.

Notes 2b) (ii) and 3 below identify the financial assets and the methods used to measure fair values.

c) Functional and presentation currency

These consolidated financial statements are presented in Australian dollars which is the Group’s functional currency.

The Company is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors’ Reports) Instrument 2016/191 and in accordance with that instrument, all financial information has been rounded to the nearest thousand dollars unless otherwise stated.

d) Use of estimates and judgements

The preparation of financial statements in conformity with AASBs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from the estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate was revised and in any future periods affected.

e) Impact of COVID-19

Management regularly monitor cash flow forecasts, including the anticipated potential ongoing impacts of COVID-19, to ensure adequate cash is available to meet operational requirements. Taking into consideration cash flow forecasts and available cash on hand, management have determined that there are reasonable grounds to believe that Cerebral Palsy Alliance will be able to pay its debts as and when they become due and payable and consider the going concern basis of preparation to be appropriate for this financial report.

2. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements and by all entities comprised within the Group.

a) Basis of consolidation

Subsidiaries

Subsidiaries are entities controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

In assessing control, potential voting rights that presently are exercisable or convertible are taken into account.

The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

a) Basis of consolidation (continued)

Transactions eliminated on consolidation

Intragroup balances and any unrealised gains and losses or income and expenses arising from intragroup transactions are eliminated in preparing the consolidated financial statements.

b) Financial instruments

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Group has no derivative financial assets or liabilities.

(i) Non-derivative financial liabilities

The Group initially recognises financial liabilities on the date at which it becomes a party to the contractual provisions of the instrument. The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

The Group has the following non-derivative financial liabilities: trade and other payables. These financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition these financial liabilities are measured at amortised cost using the effective interest rate method.

(ii) Non-derivative financial assets

The Group initially recognises financial assets on the date at which the Group becomes a party to the contractual provisions of the instrument.

Financial assets are initially measured at fair value. The Group subsequently measures financial assets at either fair value or amortised cost.

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability.

On initial recognition, the Group classifies its financial assets as subsequently measured at either amortised cost or fair value, depending on its business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

Financial assets subsequently measured at amortised cost

A financial asset is subsequently measured at amortised cost using the effective interest method and net of any impairment loss, if:

- the asset is held within a business model with an objective to hold assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise, on specified dates, to cash flows that are solely payments of principal and interest.

Financial assets subsequently measured at amortised cost comprise cash and cash equivalents and trade and other receivables. All changes in value are recognised in surplus or deficit.

Financial assets subsequently measured at fair value

Financial assets other than those classified as financial assets measured at amortised cost are subsequently measured at fair value with all changes in fair value recognised in surplus or deficit, except in the case of some investments, as indicated in the following paragraph.

For investments in equity instruments not held for trading, the Group may elect at initial recognition to recognise subsequent changes in fair value in other comprehensive income. For these instruments, changes in fair value, including realised gains and losses are never reclassified to surplus or deficit. Dividends earned from these investments are recognised in surplus or deficit unless the dividends clearly represent a recovery of part of the cost of investment.

In the remainder of these notes:

- Financial assets whose subsequent changes in fair value are recorded through surplus or deficit are referred to as “Financial assets at fair value through surplus or deficit”; and
- Financial assets whose subsequent changes in fair value are recorded through other comprehensive income are referred to as “Financial assets at fair value through other comprehensive income”.

c) Inventories

Inventories are valued at the lower of cost and net realisable value, with net realisable value being the estimated selling price in the ordinary course of business less the estimated costs of completion and selling expenses.

Cost is based on the first-in first-out principle and includes expenditure incurred in bringing inventories to their existing location and condition.

d) Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Parts of an item of property, plant and equipment that have different useful lives are accounted for separately.

The value of in-kind donations is determined by independent valuation at the time of the donation.

Gains or losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds of disposal with the carrying amount of property, plant and equipment and are recognised net within surplus or deficit.

Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The carrying amount of the replaced part is derecognised.

The costs of the day-to-day servicing of property, plant and equipment are recognised in surplus or deficit as incurred.

Depreciation and amortisation

Items of property, plant and equipment, including buildings, leasehold improvements and motor vehicles, but excluding freehold land, are depreciated over their estimated useful lives using the straight-line method. Assets are depreciated from the date of acquisition.

Depreciation is calculated on the depreciable amount, which is the cost of the asset, or other amount substituted for cost, less its residual value.

Depreciation rates used for each class of asset are as follows:

Buildings	4%
Plant and Equipment	15-25%
Motor Vehicles	15-20%
Fixtures and Fittings	10%

Depreciation of an asset under construction begins from the date the asset is ready for use.

The residual value, the useful life and the depreciation method applied to an asset are reassessed at the reporting date and adjusted if appropriate.

e) Intangible assets

Intangible assets acquired by the Group that have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in surplus or deficit as incurred.

Amortisation

Amortisation is calculated on the cost of the asset, or another amount substituted for cost, less its residual value.

Amortisation is recognised in surplus or deficit on a straight-line basis over the estimated useful lives of the intangible assets from the date they are available for use. The estimated useful life of computer software for the current and comparative years is three years.

Amortisation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

f) Leased assets

In accordance with AASB 16 – Leases the Group, as a lessee, has recognised right-of-use assets representing its rights to use the underlying assets and lease liabilities representing its obligations to make lease payments.

Under AASB 16, a contract is, or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease and non-lease component on the basis of their relative stand-alone prices. For leases of properties in which it is a lessee, the Group has elected to separate non-lease components and will account for the lease and non-lease components of a lease.

f) Leased assets (continued)

As a lessee

The Group leases assets including items of property, motor vehicles and IT equipment.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost and subsequently measured at cost less any accumulated depreciation and impairment losses, and adjusted for certain re-measurements of the lease liability. The Group presents right-of-use assets that do not meet the definition of investment property and lease liabilities in the statement of financial position.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Group's incremental borrowing rate for the portfolio of leases. Lease liabilities are presented in this note.

The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payments made. It is remeasured when there is a change in future lease payments arising from a change in an index rate, a change in the estimate of the amount expected to be payable under a residual guarantee, or as appropriate, changes in the assessment of whether a purchase or extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised.

The Group has applied judgment to determine the lease term for some lease contracts in which it is a lessee that include renewal options. The assessment of whether the Group is reasonably certain to exercise such options impacts the lease term, which significantly affects the amount of lease liabilities and right-of-use assets recognised.

Right-of-use assets are measured at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments. The Group applied this approach to all other leases.

Short term leases and leases of low value assets

The Group has elected to use the following practical expedients under AASB 16 to leases:

- not to recognise right-of-use assets and liabilities for leases for which the lease term ends within 12 months of the date of initial application;
- not to recognise right-of-use assets and liabilities for leases of low value assets (e.g. IT equipment);
- to exclude initial direct costs from the measurement of the right-of-use asset at the date of initial application; and
- to use hindsight when determining the lease term.

g) Employee benefits

Defined contribution superannuation plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Group's obligations for contributions to defined contribution plans are recognised as an expense in surplus or deficit when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

Defined benefit superannuation plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to surplus or deficit. Past service cost is recognised in surplus or deficit in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- re-measurement.

The Group presents the first two components of defined benefit costs in 'accommodation services expenses' in surplus or deficit. Curtailment gains and losses are accounted for as past service costs. The retirement benefit obligation recognised in the consolidated statement of financial position represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits in the form of refunds from the plans or reductions in future contributions to the plans.

Short-term benefits

Short-term employee benefits are expensed as the service is provided. A liability is recognised for the amount to be paid if the Group has a present legal or

constructive obligation to pay an amount as a result of past service provided by the employee and the amount can be measured reliably.

Long-term service benefits

The Group's net obligation in respect of long-term service benefits is the amount of future benefits that employees have earned in return for their service in the current and prior periods. The obligation is calculated using expected future increases in wages and salary rates including related on-costs and expected settlement dates and is discounted to determine its present value.

The discount rate is the yield at the reporting date on high quality corporate bonds that have maturity dates approximating the terms of the Group's obligations.

h) Finance income

Finance income comprises interest income on funds invested, distributions from trusts, dividends, gains or losses on disposal of financial assets and changes in fair value of financial assets.

Interest income is recognised as it accrues in surplus or deficit, using the effective interest rate method. Dividends and distributions from trusts are recognised on the date that the Group's right to receive payment is established.

i) In-kind donations

No monetary value has been attributed to the valuable services provided by the many volunteer workers.

The Group also receives donations in the form of in-kind goods and services. The value of goods and services received that can be quantified, and is considered material, is recognised at fair value in the financial statements. In the current year, the Group received goods in kind such as items donated for raffles and services in kind such as grounds maintenance and professional services. No monetary value has been attributed to these goods and services as they are not considered material to the Group.

j) Goods and services tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST) except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). 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 are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included

as a current asset or liability in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

k) Impairment

(i) Financial assets

Financial assets at amortised cost

A financial asset at amortised cost is assessed at each reporting date to determine whether it is impaired. A financial asset at amortised cost is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset and that the loss event has had a negative effect on the estimated future cash flows of that asset that can be estimated reliably. Objective evidence that these financial assets are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Group on terms that the Group would not consider otherwise, or indications that a debtor or issuer will enter bankruptcy.

The Group considers evidence of impairment for trade and other receivables at both specific asset and collective levels. All individually significant receivables are assessed for specific impairment. Any found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. This collective assessment groups together receivables with similar risk characteristics, and considers historical trends of default; the timing of recoveries; and the amount of losses incurred, adjusted for management's judgement about current economic and credit conditions.

An impairment loss in respect of a financial asset at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in surplus or deficit and also reflected in an allowance account against the asset. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease is reversed through surplus or deficit.

Financial assets at fair value

Impairment assessment is not required to be carried out for financial assets at fair value when the requirements of AASB 9 are applied, as all changes in fair value are either recognised in surplus or deficit or other comprehensive income (depending upon the classification).

k) Impairment (continued)

(ii) Non-financial assets

The carrying amounts of the Group's non-financial assets, other than inventories (see note 2c), are reviewed at each reporting date for any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount. The recoverable amount of an asset is the higher of its value in use and its fair value less costs to sell. As the future economic benefits of the asset are not primarily dependent on the asset's ability to generate net cash inflows and when the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of the asset. Depreciated replacement cost is defined as the current replacement cost of an asset less, where applicable, accumulated depreciation calculated to reflect the already consumed or expired economic benefits of the asset.

Impairment losses are recognised in surplus or deficit. Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

l) Expenses

Financial expenses

Financial expenses represent interest relating to interest-bearing liabilities and bank overdraft fees. Financial expenses are recognised using the effective interest rate method.

m) Income Tax

No income tax is payable by the Group as Section 50-5 of the Income Tax Assessment Act 1997 exempts recognised Charitable Institutions from Income Tax.

Cerebral Palsy Alliance and its controlled entities are deductible gift recipients as defined in the Income Tax Assessment Act.

n) Revenue

Revenue from contracts with customers (AASB 15)

Disability and other service revenue

The Group recognises revenue from disability and other services over time as performance obligations are satisfied, which is as the services are rendered, primarily on a daily or weekly basis. Revenue arises from discretionary and non-discretionary services as agreed in contractual agreements with clients. Fees received in advance of services performed are recognised as contract liabilities and are included within Government funding received in advance.

Recurrent grants

Where an agreement is enforceable and contains sufficiently specific performance obligations, the revenue is recognised over time as the performance obligations to the grant agreement are fulfilled.

Nature of revenue and cash flows

Further detail on the nature of revenue and cash flows is included in the table below.

Type of revenue	Description
Government funding	Recurrent grants are received from the State and Federal Government to deliver outcome based services on a range of programs to provide support to people with a disability. Revenue is recognised over time as performance obligations are met. Funding is usually received in advance with a contract liability recorded for unspent funds.
Rendering of services	Rendering of service revenue primarily consists of NDIS revenue. NDIS revenue reflects the Group's entitlement to revenue from the National Disability Insurance Agency (NDIA) for care or services provided to clients. Revenue is recognised over time as the services are provided. Funding claims are submitted to the NDIA and is usually payable within 7 days of the services being performed.
Sale of goods	The Group also derives income from the sale of goods. Revenue related to the sale of these goods is recognised when the goods are transferred and a corresponding debtor is created.

Capital grants

Capital grants received under an enforceable agreement to enable the company to acquire or construct an item of property, plant and equipment to identified specifications which will be controlled by the Group are recognised as revenue as the entity satisfies the obligations under the agreement.

For construction projects, this is generally as the construction progresses in accordance with costs incurred.

For acquisition of assets, the revenue is recognised when the asset is acquired and controlled by the company.

Fundraising and bequests

Donations, bequests and legacies and funding agreements which are not enforceable and do not contain sufficiently specific performance obligations are recognised at their fair value when the asset is received. These assets are generally cash, but may be property which has been donated or sold to the Group at significantly below its fair value.

Once the asset has been recognised, the Group recognises any related liability amounts. Income is then recognised for any difference between the recorded asset and liability.

Volunteer services

No amounts are included in the financial report for services donated by volunteers.

4. GOVERNMENT FUNDING

The following government support is included under Government funding:

Commonwealth Government

NSW Government

Total government funding

5. OTHER INCOME

One off NDIA provider payment

JobKeeper receipts

Other COVID-19 support

Total other income

3. DETERMINATION OF FAIR VALUES

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods.

Financial assets at fair value

The fair value of these financial assets is determined by reference to their quoted closing bid price or net asset value at the reporting date.

Non-derivative financial liabilities

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date.

Trade and other receivables

The fair value of trade and other receivables is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date.

When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

CONSOLIDATED	
2022 \$'000	2021 \$'000
17,909	18,908
1,193	1,234
19,102	20,142

CONSOLIDATED	
2022 \$'000	2021 \$'000
4,833	-
-	19,196
-	400
4,833	19,596

6. REMUNERATION OF AUDITORS

AUDIT SERVICES

Auditors of the Company - KPMG Australia

OTHER SERVICES

Other services - KPMG

CONSOLIDATED	
2022 \$'000	2021 \$'000
148	142
-	61

7. OTHER EXPENSES

Other expenses relate to items which have not been allocated to specific functions and include the following items:

Wages and salaries

Depreciation

IT Equipment and leasing

Insurance

CONSOLIDATED	
2022 \$'000	2021 \$'000
17,018	14,912
1,042	1,036
1,395	1,326
956	869

Total expenses in the Consolidated Statement of Comprehensive Income include employee benefits expense of \$190,080,000 (2021: \$181,279,000).

8. FINANCE INCOME AND FINANCE COSTS

RECOGNISED IN SURPLUS OR DEFICIT

Interest income - Short term cash deposits

Interest income - Investments

Dividend and trust distribution income

Total finance income

Finance costs - borrowing costs

Finance costs - lease liability

Net finance income recognised in surplus or deficit

RECOGNISED IN OTHER COMPREHENSIVE INCOME

Net change in fair value of financial assets classified at fair value through other comprehensive income

Finance (expense)/income recognised in other comprehensive income

CONSOLIDATED	
2022 \$'000	2021 \$'000
245	766
86	37
1,483	285
1,814	1,088
-	-
(277)	(314)
1,537	774
(4,209)	3,403
(4,209)	3,403

9. CASH AND CASH EQUIVALENTS

	CONSOLIDATED	
	2022 \$'000	2021 \$'000
Cash at bank and in hand	4,289	3,619
Short-term bank deposits	24,805	57,150
Total cash and cash equivalents	29,094	60,769

The carrying amount of cash and cash equivalents as at 30 June 2022 and 2021 was equal to the fair value.

10. TRADE AND OTHER RECEIVABLES

	CONSOLIDATED	
	2022 \$'000	2021 \$'000
CURRENT		
Trade receivables	3,684	1,900
Other receivables	45,393	5,319
Prepaid expenses	2,142	1,815
Total trade and other receivables	51,219	9,034

The carrying amount of trade and other receivables as at 30 June 2022 and 2021 was equal to the fair value.

Trade receivables are shown net of impairment losses of \$683,000 (2021: \$668,000).

The movement in the allowance for impairment in respect of trade receivables during the year was as follows:

Balance at 1 July	668	996
Amounts written off	(27)	(330)
Amounts provided for during the year	42	2
Balance at 30 June	683	668

11. INVESTMENTS

	CONSOLIDATED	
	2022 \$'000	2021 \$'000
CURRENT		
Bank Deposits	-	15,106
Financial assets at fair value through other comprehensive income	7,613	5,795
Total current investments	7,613	20,901
NON-CURRENT		
Financial assets at fair value through other comprehensive income	57,260	31,919
Total non-current investments	57,260	31,919

12. PROPERTY, PLANT AND EQUIPMENT

	Freehold Land \$'000	Buildings \$'000	Plant and Equipment \$'000	Motor Vehicles \$'000	Capital Works in Progress \$'000	Total \$'000
COST						
At 1 July 2021	61,635	54,502	4,862	10,747	1,486	133,232
Acquisitions	3,301	-	-	944	489	4,734
Transfers	-	184	-	-	(184)	-
Disposals	(34,235)	-	-	(362)	-	(34,597)
At 30 June 2022	30,701	54,686	4,862	11,329	1,791	103,369
DEPRECIATION AND IMPAIRMENT LOSSES						
At 1 July 2021	-	17,827	4,527	5,671	-	28,025
Depreciation charge for the year	-	2,013	112	1,770	-	3,895
Disposals	-	-	-	(227)	-	(227)
At 30 June 2022	-	19,840	4,639	7,214	-	31,693
CARRYING AMOUNTS						
At 1 July 2021	61,635	36,675	335	5,076	1,486	105,207
At 30 June 2022	30,701	34,846	223	4,115	1,791	71,676

12. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Set out below are the carrying amounts of the Group's right-of-use assets, relating to leased properties that do not meet the definition of investment property; and corresponding lease liabilities and movements during the year.

	Land and Buildings \$'000	Motor Vehicles \$'000	Other Equipment \$'000	Total \$'000
RIGHT-OF-USE ASSETS				
At 1 July 2021	8,486	25	90	8,601
Additions	-	-	-	-
Depreciation expense	(984)	(25)	(90)	(1,099)
At 30 June 2022	7,502	-	-	7,502
LEASE LIABILITIES				
At 1 July 2021	8,794	26	93	8,913
Additions	-	-	-	-
Interest Expense	275	-	2	277
Payments	(1,199)	(26)	(95)	(1,320)
At 30 June 2022	7,870	-	-	7,870

The Group recognised rent expense from short-term leases of \$246,000 and low-value assets of \$305,000 for the year ended 30 June 2022.

Some property leases contain extension options exercisable by the Group up to 24 months before the end of the non-cancellable contract period. The extension options are exercisable only by the Group and not by the lessors. The Group assesses at lease commencement date whether it is reasonably certain to exercise the extension options and reassesses if there is a significant event or significant changes in circumstances within its control.

FUTURE LEASE PAYMENTS

Less than one year
One to five years
More than five years

CONSOLIDATED	
2022 \$'000	2021 \$'000
684	1,119
2,246	2,326
4,940	5,468
7,870	8,913

13. TRADE AND OTHER PAYABLES

	CONSOLIDATED	
	2022 \$'000	2021 \$'000
CURRENT		
Trade payables	1,583	1,391
Other creditors and accruals	21,799	14,475
Deferred revenue	1,297	1,623
Total trade and other payables - current	24,679	17,489
NON-CURRENT		
Other creditors and accruals	-	8,500
Total trade and other payables - non-current	-	8,500

The carrying amount of trade and other payables as at 30 June 2022 and 2021 was equal to the fair value.

14. EMPLOYEE BENEFITS

	CONSOLIDATED	
	2022 \$'000	2021 \$'000
CURRENT		
Salaries and wages accrued	5,849	5,969
Redundancy provision	550	-
Liability for annual leave	11,983	10,106
Liability for long service leave	7,768	11,104
Total employee benefits - current	26,150	27,179
NON-CURRENT		
Liability for long service leave	2,556	2,554
Recognised liability for defined benefit obligations	943	1,304
Total employee benefits - Non-Current	3,499	3,858

15. FAIR VALUE RESERVE

As at 30 June 2022, the fair value reserve recorded the cumulative net changes in fair value of financial assets at fair value through other comprehensive income.

16. FINANCING FACILITIES

The Group has access to a bank overdraft (unused as at the reporting date) of \$500,000 (2021: \$500,000). The bank overdraft facility is secured by a floating charge over the assets of the Group.

17. CAPITAL AND OTHER EXPENDITURE COMMITMENTS

As at 30 June 2022 the Group had made contractual capital commitments and other expenditure commitments of \$NIL (2021: \$NIL) which had been contracted for as at that date but not recognised as liabilities.

18. CONTINGENT LIABILITIES

The Directors are of the opinion that provisions are not required in respect of the following contingent liabilities as the probability of an outflow of resources is remote or the amount is not capable of reliable measurement.

Bank guarantees

As at 30 June 2022, the Group has bank guarantees amounting to \$149,310 (2021: \$149,310) in connection with certain properties on lease. As at 30 June 2022, the bank guarantee facility of the Group has a maximum limit of \$200,000 (2021: \$200,000) of which \$50,690 (2021: \$50,690) was unused as at the reporting date.

The bank guarantee is secured by a floating charge over the assets of the Group.

Contingencies – litigation

The Group has been involved in various claims incidental to the ordinary course of business. Where considered appropriate, legal advice has been obtained. The Group does not consider that the outcome of any such claims known to exist at the date of this report, either individually or in aggregate, is likely to have a material effect on its operations or financial position. The directors are of the opinion that provisions are not required in respect of any matters as it is not probable that a future sacrifice of economic benefits will be required, or the amount is not capable of reliable measurement.

Deed of Cross Guarantee

Under the terms of the deed of cross guarantee entered into in accordance with ASIC Class Order (98/1418) the Company has undertaken to meet any shortfall which might arise on the winding up of the controlled entities which are party to the deed (refer note 23). As at the date of this report the controlled entities are not in liquidation nor is there any indication that the controlled entities will be wound up.

19. RELATED PARTY INFORMATION

DIRECTORS' COMPENSATION

The directors act in an honorary capacity and received no compensation for their services as Directors.

KEY MANAGEMENT PERSONNEL COMPENSATION

The key management personnel compensation is as follows:

Short-term benefits
Long-term benefits

CONSOLIDATED	
2022 \$'000	2021 \$'000
3,974	3,765
35	49
4,009	3,814

20. RIGHT-OF-USE ASSETS MEASURED AT COST

The Group has chosen to measure right-of-use assets at cost where there are significantly below market terms and conditions principally to enable the Group to further its objectives. The Group leases seven properties at significantly below market terms and conditions with lease payment being \$1 per annum, payable on demand. All the properties are used for service delivery across several areas of the Group's operations.

21. MEMBERS' GUARANTEE

In accordance with the Company's Constitution each member of the Company has a maximum liability of \$20 in the event of the Company being wound up while he/she is a member (or within one year after he/she ceases to be a member) for payment of the debts and liabilities of the Company contracted before he/she ceased to be a member. As at 30 June 2022 there were 148 members (2021: 168 members) of the Company.

22. COMPANY DETAILS

Cerebral Palsy Alliance and its controlled entities are incorporated and domiciled in Australia. The companies are limited by guarantee and exempted under Section 150 (1) of the Corporations Act 2001 from using the word "Limited" with the exception of The Cerebral Palsy Foundation Pty Ltd.

23. CONSOLIDATED ENTITIES/ DEED OF CROSS GUARANTEE

Particulars in relation to controlled entities all of which are incorporated in Australia

Ultimate parent entity

Cerebral Palsy Alliance

Subsidiaries subject to Deed of Cross Guarantee

Cerebral Palsy Alliance - Accommodation South

Cerebral Palsy Alliance - Accommodation North

Cerebral Palsy Alliance - Accommodation Hunter

Cerebral Palsy Alliance - Therapy Services

Cerebral Palsy Alliance - Casual Relief Services

Cerebral Palsy Alliance - Venee Burges House

Cerebral Palsy Alliance - Accommodation Northern Sydney

The Cerebral Palsy Foundation Pty Ltd

The Cerebral Palsy Institute

Each of the subsidiaries are wholly owned.

The Cerebral Palsy Foundation Pty Ltd acts as the trustee for The Cerebral Palsy Foundation Trust.

Pursuant to ASIC Class Order 98/1418 (as amended) dated 13 August 1998, the wholly-owned subsidiaries listed above are relieved from the Corporations Act 2001 requirements for preparation, audit and lodgement of financial reports, and directors' reports.

It is a condition of the Class Order that the Company and each of the subsidiaries seeking the financial reporting relief (Group Entities) enter into a Deed of Cross Guarantee. The effect of the Deed is that each Group Entity guarantees to each creditor payment in full of any debt in the event of winding up of any Group Entity under certain provisions of the Corporations Act 2001. If a winding up occurs under other provisions of the Act, each Group Entity will only be liable in the event that after six months any creditor has not been paid in full. The subsidiaries have also given similar guarantees that would apply in the event that the Company was wound up.

Accordingly, the consolidated statement of financial position and consolidated statement of comprehensive income presented on pages 12 and 13 of the financial statements represent the consolidated results of the Group Entities after eliminating all transactions between parties to the Deed of Cross Guarantee.

The entities listed below are not registered with the Australian Charities and Not-for-profits Commission (ACNC) however the financial information relating to the non-registered entities is immaterial for the ACNC reporting group overall.

The Cerebral Palsy Foundation Pty Ltd

24. INCOME AND EXPENDITURE – FUNDRAISING APPEALS

Information to be furnished under the Charitable Fundraising (NSW) Act 1991

Fundraising appeals conducted during the financial year included mail appeals, telephone appeals, lotteries, money collections, receiving of indirectly solicited donations, unsolicited bequests and various other fundraising projects.

	CONSOLIDATED	
	2022 \$'000	2021 \$'000
RESULTS OF FUNDRAISING APPEALS		
Gross proceeds from fundraising appeals	42,680	35,018
Less: Direct costs of fundraising appeals	(11,462)	(9,866)
Net surplus obtained from fundraising appeals	31,218	25,152
APPLICATION OF NET SURPLUS OBTAINED FROM FUNDRAISING APPEALS		
Distributions (expenditure on direct services)	195,274	188,483
Other expenses	26,333	24,086
Community education and information	8,300	7,144
Operating surplus	(5,323)	19,022
Total	224,584	238,735
The shortfall of \$193,366,000 (2021: \$213,582,000) between the \$31,218,000 net surplus (2021: \$25,152,000) available from fundraising appeals conducted and total application of net surplus of \$224,584,000 (2021: \$238,734,000) was provided from the following sources:		
Government funding	19,102	20,142
Rendering of services	163,526	170,538
Sale of goods	626	750
Interest received or receivable	331	803
Distributions from trusts and dividends	1,483	285
Rental income	458	235
Capital Grants	-	1,163
Other Income	4,833	19,596
Gain on sale of property, plant and equipment	3,007	70
Total sources of differences	193,366	213,582

25. SUBSEQUENT EVENTS

There has not arisen in the interval between the end of the financial year and the date of this report, any item, transaction or event of a material and unusual nature, likely, in the opinion of the Directors of the Company, to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the group, in future financial years.



Auditor's Independence Declaration under subdivision 60-C Section 60-40 of Australian Charities and Not-for-profits Commission Act 2012

To: the Directors of Cerebral Palsy Alliance

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 30 June 2022 there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

Daniel Robinson

Partner

Sydney

28 September 2022



Independent Auditor's Report

To the members of Cerebral Palsy Alliance

Opinion

We have audited the **Financial Report**, of the Cerebral Palsy Alliance (the Group).

In our opinion, the accompanying Financial Report of the Group is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission (ACNC) Act 2012*, and sections 23(1)(d) and 24B of the *Charitable Fundraising Act (NSW) 1991*:

- giving a true and fair view of the Group's financial position as at 30 June 2022, and of its financial performance and its cash flows for the year ended on that date; and
- complying with *Australian Accounting Standards – Simplified Disclosures Framework* and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013 (ACNCR)* and section 21 of the *Charitable Fundraising Regulation (NSW) 2021*.

The **Financial Report** comprises:

- Consolidated statement of financial position as at 30 June 2022;
- Consolidated statement of comprehensive income, Consolidated statement of changes in equity, and Consolidated statement of cash flows for the year then ended;
- Notes including a summary of significant accounting policies;
- Directors' declaration.

The Group consists of Cerebral Palsy Alliance and the entities it controlled at the year end or from time to time during the financial year

Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report.

We are independent of the Group in accordance with the auditor independence requirements of the *ACNC Act 2012* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the Financial Report in Australia. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Other Information

Other Information is financial and non-financial information in Cerebral Palsy Alliance's annual reporting which is provided in addition to the Financial Report and the Auditor's Report. The Directors are responsible for the Other Information.

The Other Information we obtained prior to the date of this Auditor's Report was the Directors' Report.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not express any form of assurance conclusion thereon.

KPMG, an Australian partnership and a member firm of the KPMG global organisation of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved. The KPMG name and logo are trademarks used under license by the independent member firms of the KPMG global organisation. Liability limited by a scheme approved under Professional Standards Legislation.



In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

- Preparing the Financial Report that gives a true and fair view in accordance with Australian Accounting Standards - Simplified Disclosures Framework and the ACNC and ACNCR and sections 23(1)(d) and 24B of the *Charitable Fundraising Act (NSW) 1991* and section 21 of the *Charitable Fundraising Regulation (NSW) 2021*.
- Implementing necessary internal control 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.
- Assessing the Group ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- to obtain reasonable assurance about whether the Financial Report as a whole is free from material misstatement, whether due to fraud or error; and
- to issue an Auditor's Report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Financial Report.

As part of an audit in accordance with *Australian Auditing Standards*, we exercise professional judgement and maintain professional scepticism throughout the audit.

We also:

- i. Identify and assess the risks of material misstatement of the Financial Report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ii. Obtain an understanding of internal control relevant to the Audit 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 registered Group's internal control.
- iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.



- iv. Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the registered Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's Report to the related disclosures in the Financial Report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the registered Group to cease to continue as a going concern.
- v. Evaluate the overall presentation, structure and content of the Financial Report, including the disclosures, and whether the Financial Report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Directors of the Group regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

A handwritten version of the KPMG logo in black ink.

KPMG

A handwritten signature in black ink that reads 'Daniel Robinson'.

Daniel Robinson

Partner

Sydney

28 September 2022



1300 888 378



ask@cerebralpalsy.org.au



cerebralpalsy.org.au



Cerebral Palsy
ALLIANCE