

# Annual Report 2021



Lynn, Alaa and Ziad, CPA Early Intervention clients





Lorraine, CPA client



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Paul Masi, President



Rob White, CEO

## President and CEO Report

Following this year's Tokyo Paralympics, three-time gold medallist and Games commentator Katrina Webb said cerebral palsy had been her greatest gift – teaching her the power of community, dedication to her craft, the importance of determination and resilience, and above all the joy of embracing what made her different.

It is striking how relevant the themes of community, dedication, resilience and embracing differences are in an environment dominated by changes driven by the pandemic, but also for our organisation, as we continue to build on our commitment to supporting people living with cerebral palsy and similar disabilities to live their best possible lives.

So it's pleasing to report on a successful year for Cerebral Palsy Alliance, with significant progress made towards our key objectives – providing world-class services to clients, enabling breakthroughs in the prevention and treatment of cerebral palsy through research, supporting people living with disability through investment in technology, and advocating for a fairer and more equitable society for all.









CPA clients at  
Newcastle Getaway

## Client Services

### The power of community

At the heart of CPA are our clients. We are immensely proud to serve a significant number of accommodation, respite, health & wellbeing and therapy clients across NSW and ACT, with some notable milestones over the year.

Over the past twelve months, we provided services to 6,000 clients. Our world-leading Early Diagnosis Clinic in Prairiewood supported 50 babies and their families, providing crucial early intervention to newborns at high risk of cerebral palsy. Further support was provided to more than 100 babies and infants state-wide through early response therapy programs.

Our Early Childhood Early Intervention (ECEI) partnership with the National Disability Insurance Agency (NDIA) successfully moved to a virtual setting, delivering 83 workshops for almost 850 parents, carers and community

providers. The ECEI team continues to support children and families seeking support from the NDIS, creating key resources for parents, forging connections with early childhood centres and connecting families with their local communities.

Pleasingly, our commitment to high-quality customer service and getting the best possible outcomes for our clients has been reflected in strong results from our most comprehensive set of client surveys to date – from 1,530 surveys and 119 in-depth face-to-face interviews with



**CPA services**  
**6,000**  
**clients**

**across 29 community sites  
and 106 accommodation sites**



**80 babies  
and their families**  
were supported by CPA's  
Early Diagnosis Clinic

**141 babies and infants**  
accessed crucial early response  
therapy programs in ACT and NSW

clients, our average Net Promotor Score was a robust +63. Some 92% of clients reported that CPA provides high-quality services, while 88% trust CPA and feel valued as a customer. The ongoing 'Voice of Customer' surveys will be a feature of our client-led approach in coming years, providing insights on what matters most to clients, and how we can best support them.

We were delighted to expand our reach across NSW with our new therapy centre opening in Erina in March, and confirmation of our North Wollongong site purchase. These new sites will allow us to offer much needed therapy programs to those in the southern half of the Central Coast and the Illawarra region. We also completed transfers of more than 100 clients into new purpose-built accommodation in the Hunter and Sydney regions. The final transition of clients from Venue Burges Hostel enabled the Allambie Heights space to be renovated for a refreshed and expanding Lifestyles program. The site now supports up to 40 clients, with six dedicated spaces for art, music, beauty, meditation, health and wellbeing/sports, and cooking programs.

We continue to work with the NSW Government to resolve the compulsory acquisition of land at Allambie Heights. This sale will allow us to invest in enhanced infrastructure and services both at Allambie Heights and throughout NSW.

CPA's average  
Net Promoter Score  
for the year was

 **+63**

CPA provides high-quality  
services, according to  
**92% of clients**



Chloe, CPA client

**198,000** of community and outreach support hours  
and **119,000** service hours at CPA centres  
were delivered for Lifestyles clients during the year





## Research, Technology And Innovation

### Dedication to our craft

Since being established in 2005, the Cerebral Palsy Alliance Research Foundation has grown to be the world's leading private funder of scientific advancements in the prevention and treatment of cerebral palsy. From technology to stem cells, our Research Institute is at the forefront of the science of cerebral palsy and has been a leading contributor to a 30% fall in the incidence of cerebral palsy in the last fifteen years.

CPA has supported cerebral palsy research across 38 countries and 140 institutions, with more than 600 grants to the value of \$59 million dollars going to the best and brightest minds in cerebral palsy research.

The CPA Research Institute also had a stellar year, with 43 peer-reviewed journal articles published, including landmark papers on stem cells, eye gaze technology and early intervention clinical guidelines. Another important milestone was the finalisation of recruitment of the GAME study, the largest-ever Early Intervention study conducted for cerebral palsy.

 **43**

**peer-reviewed journal  
articles were published by  
CPA researchers this year**

After many years of leading contributions to cerebral palsy research, Professor Rod Hunt was appointed as the Director of Cerebral Palsy Research Victoria, while Professor Iona Novak was confirmed to the position of Chair of Allied Health at Sydney University. Professor Novak was also awarded the prestigious Elsass Prize for contributions to cerebral palsy research, presented by Her Royal Highness, Princess Benedikte of Denmark.

A key research focus this year was Cytomegalovirus (CMV), a common virus which can cause cerebral palsy and a range of other disabilities. In partnership with CMV Australia, CPA launched a major media campaign for CMV Awareness Month in May, attracting a front-page story in the Sydney Morning Herald and more than two-dozen other media stories with a combined reach of just over three million people. This awareness campaign will remain a feature

CPA clients in  
the community





CPA delivered

**6,443** hours  
of Telepractice in FY21



Barry, CPA client



**39** Remarkable  
start-ups have now raised  
**\$28** million  
in capital, and serve  
**77,000** customers

throughout the year, and is complemented by a free e-Learning course to educate midwives on CMV in conjunction with the Australian College of Midwives. To date, more than 800 health professionals have taken part, with a second course aimed at General Practitioners now being developed.

CPA has made an ongoing commitment to being at the forefront of disability technology through Remarkable, our disability technology accelerator. The 2021 Remarkable cohort created inspiring solutions as varied as interactive video therapy, disability management software, inclusive and adaptive fashion, and 3D-printed bionic limbs.

Success stories and accolades from Remarkable include alumni ResusRight, voted one of the top 10 life-saving Australian inventions, and Loop+, which was voted in The Australian's Top 100 Innovators list. Remarkable has now accelerated 39 start-ups, which have raised \$28 million in capital, serviced 77,000 customers and created the full-time equivalent of 520 jobs.

**800** midwives  
have now participated in CPA's  
e-Learning course about CMV



Technology remains a cornerstone of CPA's quest to foster inclusion for people with disabilities, and we continued to invest in enabling virtual and remote access to therapy for CPA clients through the expansion of CPA@Home and telepractice services. Another major tech investment is MyCPA, a new digital client portal which began development this year. Almost 50 hours of client interviews have informed the pilot launch of the MyCPA portal, which will produce a world-class customer experience for clients through greater choice and control over their services and appointments.

The CPA Research Foundation  
has now funded

**619**  
research grants,  
providing



**\$59** million  
in funding

to the best and brightest  
researchers across

**38** countries and  
**140** academic institutions

## Our People

### The importance of resilience and determination

This year has seen strong financial performance for CPA, reinforced by an exceptional fundraising effort during STEPtember and a number of generous bequests and donations. Total income reached \$248 million, with a surplus of \$19 million. Thanks is due to the incredible management team for bringing this growth to fruition.

Our fundraising team enable us to invest in life-changing services, research and technology, underpinning many parts of the CPA community. Despite being uniquely impacted by COVID-19 over the last year, CPA's fundraising team managed to reach new heights, led by STEPtember, one of Australia's largest and most popular annual fundraising platforms.

After a strong 2019, STEPtember returned bigger, bolder and even better in 2020, attracting an unprecedented 84,099 participants. More than \$10.9 million was raised for people with cerebral palsy, an incredible 53% increase on the previous year.

Our other fundraising events also thrived in spite of COVID-19, which caused the cancellation of the Might and Power Race Day in August. A total of 2,165 participants and attendees raised in excess of \$3.5 million across the iconic Grace Gala, The Escape, the 20/Twenty Challenge, the Krazy Kosci Klimb, and the Extra Mile. The latter, a virtual cycling challenge, enjoyed a promising debut with more than 950 participants raising in excess of \$250,000 for cerebral palsy research.

Our dedicated staff underpin everything we do at CPA, and as we continue to expand so does our workforce – our talent acquisition team recruited a record 736 employees in the last financial year. Through the tireless work of our staff, we have weathered the impact

of COVID-19 for a second year, and ended the financial year with the vast majority of residential and high-risk clients fully-vaccinated. Thanks must go to our frontline staff for going above and beyond to protect and support clients during this time.

CareForce, our in-house workforce agency, filled a mammoth 38,068 shifts across 90 accommodation, respite and Lifestyles sites. CareForce provided a total of 231,232 hours of emergency and planned leave support during the last financial year.

Our dedicated volunteer team managed a workforce of 1,964 volunteers, who donated more than 14,400 hours to CPA and provided invaluable support across all parts of the organisation, from fundraising and events to equipment services and community outings.



**736**   
new employees were  
recruited during  
the year





CPA clients in the community

Our strategy, quality and risk team published four cerebral palsy intervention guides, with 16 key policies converted into plain English practice guides for front-line staff. It was also another significant year for our Training Alliance, with almost 7,000 people participating in training courses – including 58% from outside CPA. CPA staff completed 45,697 courses – 76% of these were online or virtual, with 24% completed in-person.

To enable this next stage of growth, CPA implemented a major business transformation project with the phasing in of Workday in October 2020. A cloud-based management tool, Workday will enable CPA to expand our position as a leader in the disability sector through providing a single source of truth for CPA's 2,500-strong workforce.

A record-breaking

**84,099**

people took part in



**September 2020**

with **\$10.9** million

raised, an increase of

**53%** year on year



**new inclusion and diversity working groups were established for employees**

**who identify as having a disability, employees who represent as Aboriginal & Torres Strait Islander, employees from culturally and linguistically diverse backgrounds and employees who identify as LGBTQI+**





## Advocacy

### The joy of embracing differences

CPA continues to expand our influence through policy and advocacy, playing a significant role in shaping the National Disability Insurance Scheme (NDIS) through our prominent memberships of industry bodies Alliance20 and National Disability Services. We have partnered with Alliance20 to make submissions on an array of NDIS reforms, while also representing the sector in several federal, state government and NDIA-led events.

This year, key lobbying and advocacy work included consulting on the Federal Government's National COVID-19 Coordination Commission, actively fast-tracking the COVID-19 vaccine rollout for people with disabilities. This resulted in CPA's high-risk clients receiving priority access to vaccines. Submissions were also made to NDIA on the importance of communication between the NDIA and the sector to facilitate better outcomes for participants, while recommendation papers were prepared on Early Childhood Intervention, Assistive Technology, Specialised Therapy and Transport for Participants.

CPA's influence also extends globally through World CP Day. Since founding World CP Day in 2012, we have continued to see the annual day

**26.6 million**  
people were reached during  
**World CP Day**, which  
enjoyed a record year, with  
organisations and individuals in  
**110 countries**  
taking part



of recognition for cerebral palsy flourish. Despite lockdowns globally, World CP Day delivered unprecedented growth, with organisations and individuals from 110 countries participating. Among the highlights of the day were messages of support from Canadian Prime Minister Justin Trudeau and the British Royal Family.

This year saw a further extension of our advocacy platform with the launch in May 2021 of CPActive – a sector-first grassroots campaign community. Almost 200 people attended the launch event, bringing together people living with disabilities, families and supporters, in a cohesive group to create lasting change. CPActive will continue to expand in the coming years, prioritising change in areas such as early intervention, accessible education, employment and technology.



## 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 acknowledge 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 and committed in giving their time and expertise to lead the stewardship of our organisation.

*P. Masi      R. White*

Paul Masi / Rob White



CPA clients in the community



Sheila, CPA client

## Directors' Report

30 June 2021

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 2021 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 the President of the Company, Chair of the Board of Directors and a member of the Finance and Audit Committee, the Services and Marketing Committee, the Property 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.

### **Andrew Buchanan PSM, MAICD, AIMM**

Andrew has been a Director since August 2010. He is Vice-President of the Company, 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.

### **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 and Chair of the Property 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.

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.

### **John Sintras GAICD**

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

John is currently 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.

### **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, the Services and Marketing Committee and the Finance and Audit 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 Cerebral Palsy Alliance. Jacqui is passionate about fundraising, education and promoting the services and work of the Company and for those living with cerebral palsy.

### Bob Easton

Bob has been a Director since May 2021.

Bob is the current Chairman of Accenture in Australia and New Zealand and one of Australia's most experienced client executives. He's worked with some of the world's largest businesses and influential leaders over a two-decade career at Accenture, spanning many industries – from consumer products to financial services. Prior to joining Accenture, Bob spent twenty years with the New Zealand Army. He is a recipient of Trust Magazine's Lifetime Achievement Award for his thought leadership and contributions to building trust-based relationships in business. He is also a member of Male Champions of Change, in support of building a gender equal world.

### Robert Miller AM, FAICD, FAMI

Bob was a Director from May 1999 until his resignation in December 2020.

### Hiam Sakakini BA SOCIOLOGY, DIP. CHANGE MANAGEMENT, GAICD

Hiam was a Director since June 2017 until her resignation in June 2021.

## Company Secretary

The Company Secretary at the end of the financial year was:

### 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 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	
Board Members	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
Paul Masi	9	9	4	4	3	3	4	4					3	2
Andrew Buchanan	9	9							3	3	4	3		
Stuart Comino	9	9	4	4									3	3
Kathryn Dent	9	9			3	3					2	2		
Johanna Garvin	9	5									4	3		
Bob Miller	4	3	2	1	2	1	2	1	2	1				
Hiam Sakakini	9	8			3	3			1	1	2	2		
John Sintras	9	9					4	4	3	3				
Leanne Wallace	9	9			3	3	4	4						
Jacqui Wisemantel	9	5	4	2			4	3	3	2			3	2
Bob Easton	1	1												



## 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.

### 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.

## 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. Half of the Directors retire each year but may seek re-election.

## 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 May 2019 the Board approved the Strategic Plan for 2019-2022, mapping out how the Group will continue to invest in services, research, people, processes and infrastructure to enable it to achieve its strategic objectives.



# Our Strategic Plan 2019 – 2022

Under our three strategic pillars – Our Clients, Research and Influence – are the five key objectives and their associated priorities that will allow us to deliver on our strategy over the next three years.

## OUR CLIENTS



**Customer Experience**  
To drive world-class, high value, whole of life experiences for our clients

### OUR PRIORITIES

- To deliver a superior customer experience that increases value for our clients
- To offer world-class, holistic products and services that create great outcomes for our clients
- To deliver a compelling brand strategy that positions CPA as the neuroplasticity experts

### OUTCOME

We will drive world-class, valued, whole of life experiences for our clients



**Sustainable Growth**  
To expand our reach to achieve our strategic ambition

### OUR PRIORITIES

- To increase the reach of our services in a financially sustainable way, through new locations, partners and technology
- To explore new markets and opportunities to diversify our revenue streams and secure our future

### OUTCOME

We will expand our operations to support more people with CP and other neurological disabilities



**Trusted Advisor**  
To become the trusted advisor to support and empower our clients

### OUR PRIORITY

- To optimise our expertise and grow the evidence-base so we can support and empower our clients

### OUTCOME

We will be the trusted source of quality information and advice, empowering our clients to understand their disability and manage their services

## OUR RESEARCH



**Research**  
To lead and influence discoveries in prevention, treatment and cures of CP

### OUR PRIORITIES

- To foster a seamless research and services organisation to align treatment priorities and develop a client/staff participation model
- To make transformative discoveries in the prevention, treatment and cures of CP
- To grow and sustain the support we need to maximise research discoveries
- To maximise consumer engagement in research
- To optimise big data to provide a strong foundation for research excellence

### OUTCOME

We will make, publish and translate transformative discoveries for people with CP

## OUR INFLUENCE



**Influence**  
To champion for an inclusive society

### OUR PRIORITIES

- To drive our social impact priorities to inspire and ensure the human rights of people with CP are realised
- To inspire hope, maintain trust and help mobilise action among communities and governments
- To build internal and external advocacy to affect meaningful change for CP
- To develop and drive a coordinated, proactive advocacy and policy strategy, positioning CPA as a trusted advisor and influencer

### OUTCOME

We will champion for people living with CP to ensure they're afforded their right to access, participate and contribute to society

## Our Enablers

### OUR PEOPLE



To foster a collaborative, capable and engaged workforce that delivers great outcomes

### OUR PRIORITIES

- To foster an innovative workplace and workforce
- To optimise our workforce
- To be a great place to learn and grow
- To position CPA as an employer of choice

### OUTCOME

We will be an employer of choice that attracts and retains high-performing, capable employees who want to make a difference

### OUR TECHNOLOGY, SYSTEMS & PROCESSES



To digitally transform how we deliver services and the way we work

### OUR PRIORITIES

- To enable and connect our customers
- To enable and connect our people
- To secure and optimise the value of our information
- To future-proof our back office systems and technology

### OUTCOME

We will use secure, scalable, cloud-based technology and new processes to deliver great experiences for clients, customers and employees

### OUR FUNDRAISING



To support our strategic objectives in research, innovation and social impact

### OUR PRIORITIES

- To expand our global fundraising
- To develop transformational partnerships
- To increase supporter engagement and loyalty
- To enable strategic growth

### OUTCOME

We will grow net fundraising revenue

## Operating and Financial Review

The surplus of the Group for the financial year was \$19,022,000 (2020: surplus of \$71,073,000). The Company and each of its controlled entities are exempt from Income Tax.

## State of Affairs

During the course of the year, notwithstanding the continued disruption caused by the COVID-19 pandemic, Cerebral Palsy Alliance supported around 6,000 clients with a workforce of some 2,500 employees.

The Group continues to monitor the impact of the pandemic on clients and staff as well as on the financial position and operations of the Group. State Government health orders impacted and continue to impact service delivery in Individual and Family Support, Employment and Community Access Services. 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 directors do not believe that the proposed acquisition gives rise to any impairment risk in relation to the carrying value of the land at 30 June 2021.

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 2021 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 44 and forms part of the Directors' Report for the financial year ended 30 June 2021.

## Members

As at 30 June 2021 there were 168 members (2020: 245 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 five categories of members: Members with a Disability; Support Members; Honorary Life Members; Invited Members; and Associate Members.

Signed in accordance with a resolution of the Directors:



P. Masi  
Director  
Sydney  
22 September 2021



S. Comino  
Director  
Sydney  
22 September 2021

## 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 22 to 43 are in accordance with the Australian Charities and Not-for-profits Commission Act 2012, including:
  - (i) giving a true and fair view of the Group's financial position as at 30 June 2021 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; the Charitable Fundraising Act (NSW) 1991 and the Charitable Collections Act (WA) 1946 and Regulations;
- (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; and
- (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.

Signed in accordance with a resolution of the directors:



P. Masi  
Director

Sydney  
22 September 2021

S. Comino  
Director

Sydney  
22 September 2021



Cerebral Palsy Alliance

## Declaration by Chief Executive Officer

### In Respect of Fundraising Appeals

I, Rob White, Chief Executive Officer of Cerebral Palsy Alliance, declare in my opinion that:

- (a) the consolidated financial statements give a true and fair view of all income and expenditure of Cerebral Palsy Alliance and its controlled entities with respect to fundraising appeal activities for the financial year ended 30 June 2021;
- (b) the consolidated statement of financial position gives a true and fair view of the state of affairs with respect to fundraising appeals conducted by the organisation as at 30 June 2021;
- (c) the provisions of the Charitable Fundraising (NSW) Act 1991, the Charitable Collections Act (WA) 1946 and Regulations and the conditions attached to the authority have been complied with for the financial year ended 30 June 2021; and
- (d) the internal controls exercised by Cerebral Palsy Alliance are appropriate and effective in accounting for all income received and applied by the organisation from any of its fundraising appeals.



Rob White  
*Chief Executive Officer*  
Sydney  
22 September 2021

# Consolidated Statement of Financial Position

as at 30 June 2021

	NOTE	2021 \$'000	2020 \$'000
<b>ASSETS</b>			
Cash and cash equivalents	9	60,769	47,656
Trade and other receivables	10	9,034	16,689
Inventories		262	214
Investments	11	20,901	17,441
<b>TOTAL CURRENT ASSETS</b>		<b>90,966</b>	<b>82,000</b>
Investments	11	31,919	25,827
Property, plant and equipment	12	105,207	104,650
Right-of-use assets	12	8,601	7,056
<b>TOTAL NON-CURRENT ASSETS</b>		<b>145,727</b>	<b>137,533</b>
<b>TOTAL ASSETS</b>		<b>236,693</b>	<b>219,533</b>
<b>LIABILITIES</b>			
Trade and other payables	13	17,489	25,002
Government funding received in advance		1,534	2,149
Employee benefits	14	27,179	26,783
Lease liabilities	12	1,119	1,059
<b>TOTAL CURRENT LIABILITIES</b>		<b>47,321</b>	<b>54,993</b>
Trade and other payables	13	8,500	8,500
Employee benefits	14	2,554	1,757
Employee benefits - Defined Benefits	14	1,304	2,819
Lease liabilities	12	7,794	6,184
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>20,152</b>	<b>19,260</b>
<b>TOTAL LIABILITIES</b>		<b>67,473</b>	<b>74,253</b>
<b>NET ASSETS</b>		<b>169,220</b>	<b>145,280</b>
<b>EQUITY</b>			
General funds		167,463	148,352
Fair value reserve	15	3,061	(253)
Defined benefit reserve		(1,304)	(2,819)
<b>TOTAL EQUITY</b>		<b>169,220</b>	<b>145,280</b>

The notes on pages 26 to 43 are an integral part of these consolidated financial statements.



# Consolidated Statement of Comprehensive Income

for the year ended 30 June 2021

	NOTE	2021 \$'000	2020 \$'000
Revenue from government funding	4	20,142	19,708
Revenue from fundraising and bequests		35,018	35,861
Revenue from rendering of services		170,538	143,573
Revenue from sale of goods		750	935
Accommodation services expenses		(125,650)	(100,805)
Individual and family support expenses		(31,921)	(28,177)
Employment services expenses		(5,119)	(4,756)
Community access service expenses		(16,272)	(14,601)
Technical services expenses		(1,151)	(1,588)
Community education and information		(7,144)	(6,537)
Research grants and expenses		(7,503)	(6,377)
Fundraising expenses		(9,866)	(9,027)
Cost of goods sold		(552)	(480)
<b>Gross surplus</b>		<b>21,270</b>	<b>27,729</b>
Rental income		235	52
Capital grants		1,163	8,977
Other Income	5	19,596	54,959
Other Expenses	7	(24,086)	(22,218)
Gain on sale of property, plant and equipment		70	87
<b>Results from operating activities</b>		<b>18,248</b>	<b>69,586</b>
Finance income		1,088	1,750
Finance costs		(314)	(263)
<b>Net finance income</b>	8	<b>774</b>	<b>1,487</b>
<b>Surplus before income tax</b>		<b>19,022</b>	<b>71,073</b>
Income tax expense	2(m)	-	-
<b>Surplus for the year after income tax</b>		<b>19,022</b>	<b>71,073</b>
<b>Other comprehensive income</b>			
Net change in fair value of other investments	8	3,403	(755)
Defined benefit plan actuarial gain/(loss)	14	1,515	(2,611)
Total other comprehensive income, after income tax		4,918	(3,366)
<b>Total comprehensive income for the year</b>		<b>23,940</b>	<b>67,707</b>

The notes on pages 26 to 43 are an integral part of these consolidated financial statements.

# Consolidated Statement of Changes in Equity

for the year ended 30 June 2021

	NOTE	General Funds \$'000	Fair Value Reserve \$'000	Defined Benefit Reserve \$'000	Total Equity \$'000
<b>Balance at 1 July 2019</b>		<b>58,935</b>	<b>2,966</b>	<b>(208)</b>	<b>61,693</b>
Initial application of AASB 15 and AASB 1058		15,880	-	-	15,880
<b>Adjusted balance at 1 July 2019</b>		<b>74,815</b>	<b>2,966</b>	<b>(208)</b>	<b>77,573</b>
Surplus for the year		71,073	-	-	71,073
<b>Other comprehensive income</b>					
Net change in fair value of investments	8	-	(755)	-	(755)
Actuarial loss on defined benefit superannuation plans	14	-	-	(2,611)	(2,611)
Total other comprehensive expense for the year		-	(755)	(2,611)	(3,366)
Total comprehensive income for the year		71,073	(755)	(2,611)	67,707
Transfer of gain on sale of investments classified as fair value through other comprehensive income		2,464	(2,464)	-	-
<b>Balance at 30 June 2020</b>		<b>148,352</b>	<b>(253)</b>	<b>(2,819)</b>	<b>145,280</b>
<b>Balance at 1 July 2020</b>		<b>148,352</b>	<b>(253)</b>	<b>(2,819)</b>	<b>145,280</b>
Surplus for the year		19,022	-	-	19,022
<b>Other comprehensive income</b>					
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)	-	-
<b>Balance at 30 June 2021</b>		<b>167,463</b>	<b>3,061</b>	<b>(1,304)</b>	<b>169,220</b>

The notes on pages 26 to 43 are an integral part of these consolidated financial statements.



# Consolidated Statement of Cash Flows

for the year ended 30 June 2021

	NOTE	2021 \$'000	2020 \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash receipts in the course of operations		262,068	200,981
Cash payments to suppliers and employees		(227,940)	(184,965)
Interest paid		(314)	(251)
<b>Net cash from operating activities</b>		<b>33,814</b>	<b>15,765</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest received		129	668
Distributions from trusts, dividends & imputation credits		-	199
Investment in bank deposits	11	(4,891)	(10,215)
Acquisition of property, plant and equipment	12	(4,337)	(15,205)
Proceeds from sale of property, plant and equipment		408	145
<b>Net cash used in investing activities</b>		<b>(8,691)</b>	<b>(24,408)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Cash (repayment)/receipts – Other COVID-19 support	13	(10,798)	10,798
Financing costs	8	-	(12)
Payment of lease liabilities		(1,212)	(1,111)
<b>Net cash used in financing activities</b>		<b>(12,010)</b>	<b>9,675</b>
Net increase in cash and cash equivalents		13,113	1,032
Cash and cash equivalents at the beginning of the financial year		47,656	46,624
<b>Cash and cash equivalents at the end of the financial year</b>		<b>60,769</b>	<b>47,656</b>

The notes on pages 26 to 43 are an integral part of these consolidated financial statements.



Notes to and forming part of  
**The Financial Statements**  
for the year ended 30 June 2021

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## Notes to and forming part of the Financial Statements for the year ended 30 June 2021

### 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 2021 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 22 September 2021.

#### a) Statement of compliance

The consolidated financial statements are Tier 2 general purpose financial statements which have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements (AASB-RDRs) (including Australian interpretations) adopted by the Australian Accounting Standards Board (AASB) and the Australian Charities and Not-for-profits Commission Act 2012 and other legislation.

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.

#### 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

## b) Financial instruments (continued)

### (ii) Non-derivative financial assets (continued)

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%
Crown Land Improvements	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.

#### 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;



## **f) Leased assets (continued)**

### **Short term leases and leases of low value assets (continued)**

- 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).

#### **(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.

## k) Impairment (continued)

### (ii) Non-financial assets (continued)

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 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.



## **n) Revenue (continued)**

### **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.

## **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.

#### 4. Government Funding

The following government support is included under Government funding:

Commonwealth Government

NSW Government

**Total government funding**

CONSOLIDATED	
2021 \$'000	2020 \$'000
18,908	15,841
1,234	3,867
<b>20,142</b>	<b>19,708</b>

#### 5. Other Income

Freehold title recognition relating to Allambie Heights land

JobKeeper receipts

Other COVID-19 support

**Total other income**

CONSOLIDATED	
2021 \$'000	2020 \$'000
-	39,077
19,196	15,371
400	511
<b>19,596</b>	<b>54,959</b>

#### 6. Remuneration of Auditors

##### AUDIT SERVICES

Auditors of the Company - KPMG Australia

##### OTHER SERVICES

Other services - KPMG

CONSOLIDATED	
2021 \$'000	2020 \$'000
142	142
61	46

## 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	
2021 \$'000	2020 \$'000
14,912	12,045
1,036	1,083
1,326	1,630
869	622

Total expenses in the Consolidated Statement of Comprehensive Income include employee benefits expense of \$181,279,000 (2020: \$152,903,000).

## 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 income recognised in other comprehensive income

CONSOLIDATED	
2021 \$'000	2020 \$'000
766	1,127
37	207
285	416
<b>1,088</b>	<b>1,750</b>
-	(12)
(314)	(251)
<b>774</b>	<b>1,487</b>
3,403	(755)
<b>3,403</b>	<b>(755)</b>



## 9. Cash and Cash Equivalents

	CONSOLIDATED	
	2021 \$'000	2020 \$'000
Cash at bank and in hand	3,619	2,162
Short-term bank deposits	57,150	45,494
<b>Total cash and cash equivalents</b>	<b>60,769</b>	<b>47,656</b>

The carrying amount of cash and cash equivalents as at 30 June 2021 and 2020 was equal to the fair value.

## 10. Trade and Other Receivables

	CONSOLIDATED	
	2021 \$'000	2020 \$'000
<b>CURRENT</b>		
Trade receivables	1,900	4,547
Other receivables	5,319	10,603
Prepaid expenses	1,815	1,539
<b>Total trade and other receivables</b>	<b>9,034</b>	<b>16,689</b>

The carrying amount of trade and other receivables as at 30 June 2021 and 2020 was equal to the fair value.

Trade receivables are shown net of impairment losses of \$668,000 (2020: \$996,000).

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

Balance at 1 July	996	1,024
Amounts written off	(330)	(132)
Amounts provided for during the year	2	104
<b>Balance at 30 June</b>	<b>668</b>	<b>996</b>

## 11. Investments

	CONSOLIDATED	
	2021 \$'000	2020 \$'000
<b>CURRENT</b>		
Bank Deposits	15,106	10,215
Financial assets at fair value through other comprehensive income	5,795	7,226
<b>Total current investments</b>	<b>20,901</b>	<b>17,441</b>
<b>NON-CURRENT</b>		
Financial assets at fair value through other comprehensive income	31,919	25,827
<b>Total non-current investments</b>	<b>31,919</b>	<b>25,827</b>

## 12. Property, Plant and Equipment

	Freehold Land* \$'000	Buildings \$'000	Plant and Equipment \$'000	Motor Vehicles \$'000	Capital Works in Progress \$'000	Total \$'000
<b>COST</b>						
At 1 July 2020	61,635	41,255	4,862	9,772	11,709	129,233
Acquisitions	-	-	-	1,313	3,024	4,337
Transfers	-	13,247	-	-	(13,247)	-
Disposals	-	-	-	(338)	-	(338)
<b>At 30 June 2021</b>	<b>61,635</b>	<b>54,502</b>	<b>4,862</b>	<b>10,747</b>	<b>1,486</b>	<b>133,232</b>
<b>DEPRECIATION AND IMPAIRMENT LOSSES</b>						
At 1 July 2020	-	15,992	4,364	4,227	-	24,583
Depreciation charge for the year	-	1,835	163	1,637	-	3,635
Disposals	-	-	-	(193)	-	(193)
<b>At 30 June 2021</b>	<b>-</b>	<b>17,827</b>	<b>4,527</b>	<b>5,671</b>	<b>-</b>	<b>28,025</b>
<b>CARRYING AMOUNTS</b>						
At 1 July 2020	61,635	25,263	498	5,545	11,709	104,650
<b>At 30 June 2021</b>	<b>61,635</b>	<b>36,675</b>	<b>335</b>	<b>5,076</b>	<b>1,486</b>	<b>105,207</b>

\* 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 directors do not believe that the proposed acquisition gives rise to any impairment risk in relation to the carrying value of the land at 30 June 2021.

## 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
<b>RIGHT-OF-USE ASSETS</b>				
At 1 July 2020	6,726	119	211	7,056
Additions	2,882	-	-	2,882
Depreciation expense	(1,122)	(94)	(121)	(1,337)
<b>At 30 June 2021</b>	<b>8,486</b>	<b>25</b>	<b>90</b>	<b>8,601</b>
<b>LEASE LIABILITIES</b>				
At 1 July 2020	6,908	120	215	7,243
Additions	2,882	-	-	2,882
Interest Expense	307	2	5	314
Payments	(1,303)	(96)	(127)	(1,526)
<b>At 30 June 2021</b>	<b>8,794</b>	<b>26</b>	<b>93</b>	<b>8,913</b>

The Group recognised rent expense from short-term leases of \$44,000 and low-value assets of \$340,000 for the year ended 30 June 2021.

## 13. Trade and Other Payables

	CONSOLIDATED	
	2021 \$'000	2020 \$'000
<b>CURRENT</b>		
Trade payables	1,391	1,308
Other creditors and accruals	14,475	22,070
Deferred revenue	1,623	1,624
<b>Total trade and other payables - current</b>	<b>17,489</b>	<b>25,002</b>
<b>NON-CURRENT</b>		
Other creditors and accruals	8,500	8,500
<b>Total trade and other payables - non-current</b>	<b>8,500</b>	<b>8,500</b>

The carrying amount of trade and other payables as at 30 June 2021 and 2020 was equal to the fair value. Included in Non-current Other creditors and accruals is a provision for \$8,500,000 in respect of a liability which arose upon the transfer of Allambie Land (note 5). Included in Current Other creditors and accruals as at 30 June 2020 is \$10,798,000 cash advance from NDIA Covid-19 support which was repaid during the year.



## 14. Employee Benefits

	CONSOLIDATED	
	2021 \$'000	2020 \$'000
<b>CURRENT</b>		
Salaries and wages accrued	5,969	5,522
Redundancy provision	-	850
Liability for annual leave	10,106	8,962
Liability for long service leave	11,104	11,449
<b>Total employee benefits - current</b>	<b>27,179</b>	<b>26,783</b>
<b>NON-CURRENT</b>		
Liability for long service leave	2,554	1,757
Recognised liability for defined benefit obligations	1,304	2,819
<b>Total employee benefits - Non-Current</b>	<b>3,858</b>	<b>4,576</b>

## 15. Fair Value Reserve

As at 30 June 2021, 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 (2020: \$500,000). The bank overdraft facility is secured by a floating charge over the assets of the Group. The Group has access to a borrowing facility of \$5,500,000 (2020: \$5,500,000) secured by managed funds held within the investment portfolio (unused at date of reporting).

## 17. Capital And Other Expenditure Commitments

As at 30 June 2021 the Group had made contractual capital commitments and other expenditure commitments of \$NIL (2020: \$2,188,000) 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 2021, the Group has bank guarantees amounting to \$149,310 (2020: \$145,225) in connection with certain properties on lease. As at 30 June 2021, the bank guarantee facility of the Group has a maximum limit of \$200,000 (2020: \$200,000) of which \$50,690 (2020: \$54,775) was unused as at the reporting date.

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

## 18. Contingent Liabilities (continued)

### *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	
2021 \$'000	2020 \$'000
3,765	3,157
49	99
<b>3,814</b>	<b>3,256</b>

Payments to defined contribution superannuation funds in respect of key management personnel amounted \$268,000 (2020 \$220,000). These have been classified under short-term benefits.

## 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 the lease payment being \$1 per annum, payable on demand. All of 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 2021 there were 168 members (2020: 245 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 CP Institute (de-registered 5 May 2021)  
United Cerebral Palsy Australia (de-registered 14 July 2021)  
The Australian Cerebral Palsy Register (de-registered 5 May 2021)  
The Australian CP Register (de-registered 5 May 2021)  
The CP Foundation (de-registered 5 May 2021)  
International CP Foundation (de-registered 5 May 2021)  
CP Research Foundation (de-registered 5 May 2021)  
Cerebral Palsy Alliance – ECEI (de-registered 5 May 2021)

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 22 and 23 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	
	2021 \$'000	2020 \$'000
<b>RESULTS OF FUNDRAISING APPEALS</b>		
Gross proceeds from fundraising appeals	35,018	35,861
Less: Direct costs of fundraising appeals	(9,866)	(9,027)
<b>Net surplus obtained from fundraising appeals</b>	<b>25,152</b>	<b>26,834</b>
<b>APPLICATION OF NET SURPLUS OBTAINED FROM FUNDRAISING APPEALS</b>		
Distributions (expenditure on direct services)	188,483	157,047
Other expenses	24,086	22,218
Community education and information	7,144	6,537
Operating surplus	19,022	71,073
<b>Total</b>	<b>238,735</b>	<b>256,875</b>
The shortfall of \$213,582,000 (2020: \$230,041,000) between the \$25,152,000 net surplus (2020: \$26,384,000) available from fundraising appeals conducted and total application of net surplus of \$238,735,000 (2020: \$256,875,000) was provided from the following sources:		
Government funding	20,142	19,708
Rendering of services	170,538	143,573
Sale of goods	750	935
Interest received or receivable	803	1,334
Distributions from trusts and dividends	285	416
Rental income	235	52
Capital Grants	1,163	8,977
Other Income	19,596	54,959
Gain on sale of property, plant and equipment	70	87
<b>Total sources of differences</b>	<b>213,582</b>	<b>230,041</b>

## 25. 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.





# 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 2021 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

22 September 2021

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# Independent Auditor's Report

To the members of Cerebral Palsy Alliance

## Report on the audit of the Financial Report

### 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* including:

- giving a true and fair view of the Group's financial position as at 30 June 2021, and of its financial performance and its cash flows for the year ended on that date; and
- complying with *Australian Accounting Standards – Reduced Disclosure Requirements* and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

The **Financial Report** comprises:

- Consolidated statement of financial position as at 30 June 2021.
- 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.
- Declaration by the Chief Executive Officer in respect of fundraising appeals of the Group.

### 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* (the Code) that are relevant to our audit of the Financial Report in Australia. We have fulfilled our other ethical responsibilities in accordance with the Code.

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## Other information

Other Information is financial and non-financial information in Group'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.

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

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 - Reduced Disclosures Requirements and the ACNC.
- Preparing the Financial Report in accordance with Section 24(2) of the *Charitable Fundraising (NSW) Act 1991* and Regulations and with Section 15(1) and 15(2) of the *WA Charitable Collections Act 1946 and Regulations 1947*.
- 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's 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 skepticism throughout the audit.

We also:

- 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.
- 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- 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 and to cease to continue as a going concern.
- 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 registered 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.

In addition we have:

- Obtained an understanding of the internal control structure for fundraising appeal activities.
- Examined on a test basis of evidence supporting compliance with the accounting and associated record keeping requirements for fundraising appeal activities pursuant to the Acts and Regulations.

We have not audited on a continuous basis the accounting records relied upon for reporting on fundraising appeal activities. These do not necessarily reflect accounting adjustments after the event or normal year-end financial adjustments required for the preparation of Financial Report such as accruals, prepayments, provisioning and valuations.



### Opinion pursuant to the Charitable Fundraising Act (NSW) 1991

In our opinion:

- the Financial Report gives a true and fair view of the Group's financial result of fundraising appeal activities for the financial year ended 30 June 2021;
- the Financial Report has been properly drawn up, and the associated records have been properly kept for the period from 1 July 2020 to 30 June 2021, in accordance with the *Charitable Fundraising Act (NSW) 1991* and Regulations;
- money received as a result of fundraising appeal activities conducted during the period from 1 July 2020 to 30 June 2021 has been properly accounted for and applied in accordance with the *Charitable Fundraising Act (NSW) 1991* and Regulations; and
- there are reasonable grounds to believe that the Group will be able to pay its debts as and when they fall due.

### Opinion pursuant to the Charitable Collections Act (WA) 1946 and Charitable Collections Regulations (WA) 1947

In our opinion, the Group has complied, in all material respects, with the requirements of the *Charitable Collections Act (WA) 1946* and *Charitable Collections Regulations (WA) 1947* for the year ended 30 June 2021.



KPMG



Daniel Robinson

Partner

Sydney

22 September 2021





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