

ANNUAL REPORT

2016





Cerebral Palsy Alliance
2016 Annual Report

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President & CEO Report

All parents want a happy and healthy life for their children – here’s what one mother told us that she wants for her son: “That he’s given equal opportunity in all parts of his life. That he’s not overlooked, or misses out, from having a disability. That he’s healthy and stays healthy throughout his whole life. That he becomes self-sufficient and contributes to society. That he has a resilient, balanced outlook on life”.

The aspirations of our clients and families continue to inspire us, as we embrace the great social and economic reform of the National Disability Insurance Scheme (NDIS). Our organisation is undergoing transformational change yet all of our technological, financial and service design changes are grounded on the bedrock of our mission, our values and our commitment to responding to what our clients tell us they need and want.

In the transformation of our services and our infrastructure we have looked to the commercial sector for lessons in improving our customer service, our information technology, our data collection, our productivity and our measurement of outcomes. We invested in taking more than 800 staff across NSW and the ACT through customer service training to increase our positivity and agility in meeting the wide spectrum of needs of our clients. In order to better meet the needs of our clients we implemented a new customer management system.



Paul Masi
President

Our service redesign has commenced with our early childhood intervention. In response to feedback from families, we are trialling service models that bring together education and therapy based on a curriculum that has shown great efficacy internationally. We will soon move on to remodelling our service models for older children, young people and adults.

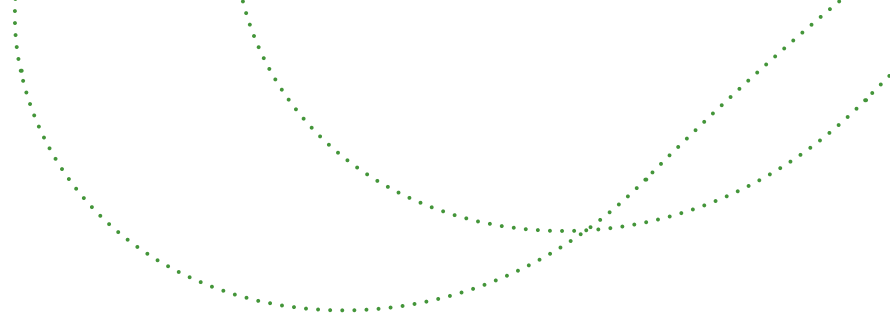
We expanded our surveillance, screening and specialised assessment program, CP Check Up™, which has shown to have remarkable outcomes in preventing secondary impairments through timely and targeted interventions.

The NDIS allows our clients choice and control in determining how they expend the funds that are allocated to them individually through the scheme. As another parent explained, “I just hope that he can grow up to be more in control of his own destiny”. We sincerely believe that together we can achieve this result.

We continue to work with the National Disability Agency in giving constructive feedback on the operation of the scheme and providing a voice for groups whose entitlement remains unclear. Infants who do not as yet have a clear diagnosis, but are at risk of cerebral palsy, need our support and intervention, and whilst at this point they are not eligible for the scheme, we continue to support them through collaboration on referrals and services with children’s hospitals. For our clients over 65 years, who are already in our services, we continue to offer support and services while the details of the intersection with aged care funding arrangements are refined.

To support our clients transitioning to the NDIS we held 44 information sessions attended by 1,250 clients. These sessions were well received with positive feedback from families, many of whom subsequently accepted our invitation to attend individualised preparation and support sessions designed to assist in facilitating the best outcomes with the NDIA planners.

With a view to significantly growing our services, we responded to the State Government’s call for expressions of interest for the transfer of services to the non-government sector. We await advice on the outcome of our expression of interest.



Across our 55 sites in NSW and the ACT we have supported close to 5000 clients. Each one of these clients has an individualised plan that we know is essential in achieving the best outcomes. Our clients tell us that it is fundamentally important to them that we listen and understand their individual needs and to weave this into how we shape our services. In the words of one parent talking about the staff "...respected the fact that as a parent I have unique insights into what's going to work for him".

As part of our commitment to improving the experience of our clients, Cerebral Palsy Alliance has continued to upgrade our sites and facilities. Upgrades have been made to Equity House through the L.J. Shirley Estate bequest, the Ryde Learning Centre, the Allambie Cottages, the hydrotherapy pool and our service centre at Kingswood.

To expand our reach in the Mid-North Coast, we have established a service-site funded by the Sargents Pies Charitable Foundation. Sargents have also pledged further support to Cerebral Palsy Alliance for a new service-site in the Illawarra region. The generosity that Sargents have extended to us over the past 12 years is one of the great Australian stories of philanthropy.

In line with the State Government's requirement for the devolution of large residential facilities, plans commenced for the transition of our adult clients currently living in Venee Burges Hostel to community housing. This project is due for completion in June 2018.

Our Research Foundation continued to fund the best international research, working towards our goal of improving current interventions, prevention strategies and a cure for cerebral palsy. To date we have awarded more than 200 grants to the value of \$23,600,000 funding the best and brightest cerebral palsy researchers across the world.

We built momentum in early diagnosis and intervention through expanding the General Movements Assessment program. Since 2009, more than 300 clinicians have been trained in the use of this tool in Australia.

Staff at our Research Institute remain at the forefront of international research efforts with frequent invitations to present at important international meetings and conferences. The Cerebral Palsy Alliance International Multidisciplinary Prevention and Cure Team for Cerebral Palsy (IMPACT for CP), supported by Cure CP, hosted its 5th successful summit in Los Angeles in February 2016. This summit brought together 34 international experts from seven countries working on understanding the causes, how to prevent, how best to treat and ultimately how to cure neonatal stroke.

In an exciting opportunity to raise our profile, our Macquarie Group Chair of Cerebral Palsy, Professor Nadia Badawi AM, presented at the Gender Equality Conference hosted by UN Women at the UN in New York.

Our researchers Professor Iona Novak and Dr Cathy Morgan continued collaborations with partners in Italy and the USA in writing International Clinical Guidelines for Early Detection and Early Intervention in cerebral palsy. These guidelines were launched at the international cerebral palsy meeting in Stockholm, Sweden, earlier this year and have been submitted for publication.

In an Australian first, recruitment has commenced for an umbilical cord blood safety trial led by the Murdoch Childrens Research Institute (MCRI). Patients are being recruited nationally with the clinical trial to take place at The Royal Children's Hospital in Melbourne. Expected to take two years, the study is being funded by the Cerebral Palsy Alliance Research Foundation and Cell Care, Australia's largest private cord blood bank. It is the first



Rob White
Chief Executive Officer

step in a promising process that aims to find out whether cord blood infusion is both safe and efficacious for children with cerebral palsy.

Consolidating our networks locally, the Research Institute of Cerebral Palsy Alliance formed an affiliation with Sydney Medical School at The University of Sydney. The Research Institute will now be located at the Brain and Mind Centre within the university.

In partnership with Telstra and Ageing Disability and Home Care, Cerebral Palsy Alliance officially launched Remarkable in March 2016. Remarkable supports start-up companies who are creating new technologies that contribute to the social and economic inclusion of people with disability. Some of the proposed projects included leveraging gaming to identify undetected hearing loss in children, 3D printing to disrupt assistive technologies, accessible journey planning and a platform that connects people with disabilities to potential employers.

The growth of our World CP Day initiative surpassed all expectations with 1,300 people from 63 countries posting their stories, photos and locations on the World CP Day website map.

Our Registered Training Organisation, Training Alliance, continued to deliver high quality industry training courses and online learning programs throughout the state. This past year we have delivered face-to-face training to 5,314 participants. Over 1,347 learners also engaged in online learning courses.

Our fundraising efforts have again gone from strength to strength this year as we continue to build a strong donor acquisition program, and partner with our committed and loyal corporate and individual supporters. We have raised over \$29 million, which will allow us to provide agile programs in response to what our clients are telling us are their greatest needs. It will also assist us in expanding our reach into areas of high growth and need, improve existing facilities and support vital research projects.

This financial year Cerebral Palsy Alliance's total income was \$98 million. Of this, government funding accounted for \$55.7 million and we sincerely thank the Australian Government's Department of Families, Housing and Community Services and Indigenous Affairs and the Department of Education, Employment and Workplace Relations; the NSW State Government's Department of Ageing, Disability and Home Care; Department of Health; and the Department of Education and Communities. We deeply value our strong government ties.

As we launch our new Strategic Plan for 2016-2019 we are confident we can consolidate our achievements to date

and continue to shape our organisation to deliver world-class services and cutting-edge research that will change the future for our clients.

We also acknowledge the dedicated support and commitment of our corporate, foundation, community and individual donors who not only show generosity through their financial contributions to Cerebral Palsy Alliance, but who also provide meaningful volunteering and advocacy.

Our sincere thanks is 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 our close to 1,100 incredibly talented and dedicated staff, our more than 1,000 loyal and passionate volunteers who make such a difference in the lives of people living with cerebral palsy and their families. We thank our Board of Directors who are so generous and committed in giving their time and expertise to lead the stewardship of our organisation.

As the NDIS continues to roll out, we are heartened to hear stories of clients who have greater flexibility in accessing the services and supports that will help them pursue their goals. We are excited for the future of our sector and look forward to working closely in the coming year with all of our stakeholders - clients and families, government, donors, volunteers and staff to ensure we are building better and brighter futures in collaboration with our clients.



Paul Masi / Rob White



Directors' Report

30 June 2016

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 2016 and the auditor's report thereon.

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 Cerebral Palsy Alliance, Chair of the Board of Directors, Chair of the Nominations and Governance Committee, Chair of the Services Committee, and a member of the Finance and Audit Committee.

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

Paul is Chair of Shaw and Partners, Chair of Greenwich Capital Partners, a Non-executive Director of The Girls and Boys Brigade, and a Non-executive Director of Blue Sky Alternatives Access Fund Ltd.

Zoe Brissett BA Comms, Dip Media Comms

Zoe has been a Director since August 2016.

Zoe is an Advisory Member on the NSW Disability Council and is Marketing Communications Specialist at Salesforce. Prior to this, Zoe has six years experience working in disability policy and research within the non-governmental organisation sector.

Zoe graduated from the University of Technology Sydney in 2011 with a Bachelor of Arts in Communications (Social Inquiry), and has a Diploma in Media and Communications from TAFE (2007).

Zoe is passionate about driving change for people with disability, improving rights, inclusion and awareness, and removing barriers.

Mark Bryant OAM, MA, FCA, MAICD

Mark has been a Director since December 1997. He is Vice-President of Cerebral Palsy Alliance, Chair of the Finance and Audit Committee and a member of the Community Relations, Fundraising and Marketing Committee, and the Nominations and Governance Committee.

Mark has over 35 years of experience in public accounting. He was formerly a partner in Arthur Andersen and a partner and member of the Board of Partners of Ernst & Young.

Mark is a consultant to the advisory and investment firm, KordaMentha.

Andrew Buchanan PSM, MAICD, AIMM

Andrew has been a Director since August 2010. He is Chair of the Research Committee, Chair of the Community Relations, Fundraising and Marketing Committee, and a member of the Ethics Committee.

In 2011, after 8 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.

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. During 2015/2016 she was also a board representative to the Enterprise Risk Management Committee.

Kathryn was admitted as a lawyer in 1994. She has practised exclusively in workplace relations law for over 16 years.

Kathryn is a Director of People + Culture Strategies, a specialist labour and employment law firm and management consulting business. She has a particular interest in workforce development and human resources management in the disability sector.

Alexandra Lisney BE (Bachelor of Engineering (Mechanical)), Grad IE Aust, GAICD, and Paralympian

Alexandra Lisney (formerly Alexandra Green) has been a Director since August 2011. She is a member of the People, Culture and Organisational Development Committee, the Research Committee, and the Ethics Committee.

Alexandra is a Mechanical Engineering graduate from the University of New South Wales and works as a Structural Engineer with Taylor Consulting Engineers on the Northern Beaches of Sydney.

Alexandra is an Australian representative for para-cycling. She is a previous world champion and bronze medallist from the 2012 London Paralympic Games. She competed in her second Paralympic Games in Rio in 2016.

Robert Miller AM, FAICD, FAMI

Bob has been a Director since May 1999. He is a member of the Community Relations, Fundraising and Marketing Committee, the Services Committee, the People, Culture and Organisational Development Committee, and the Finance and Audit Committee. He is also a board representative to the Enterprise Risk Management Committee.

Bob is the Principal of Australia Street Consulting Pty Ltd which advises the automotive industry, advertising agencies and others on marketing. Previously, Bob was General Manager – Marketing, Toyota Australia.

Bob is an Adjunct Professor, teaching postgraduate students in Macquarie University's Faculty of Business and Economics and sits on the Dean of that faculty's Industry Advisory Committee. Bob also teaches at The Australian Catholic University.

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

Leanne has been a Director since May 2016. She is a member of the Services Committee. Leanne is a Principal at Nous with a focus on consultancy services for government and leads Nous' NSW Office.

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 Boards for Jannawi Family Services and Jannawi Connections.

John Warn MAICD AFAIM

John has been a Director since April 2016.

John has broad business experience in Banking, Real Estate/Property management and the NFP sector in Sport.

With over 20 years of experience in the retail property sector, he is Regional General Manager at Scentre Group (owner and operator of Westfield in Australia and New Zealand).

John was appointed to the Board of Cricket NSW in 2012 and elected as Chair of Cricket NSW in 2013.

Jacqui Wisemantel

Jacqui has been a Director since November 2014. She is a member of the Community Relations, Fundraising and Marketing Committee, and the Finance and Audit Committee.

Jacqui provides specialist advice and services in respect of PR communications strategy, digital concept, brand presence, corporate image, sales portfolio or social currency.

For the past 20 years, Jacqui has worked in the media, marketing and communications sector, specialising in event management, project management and public relations.

Cain Beckett BEc, MIntS, FAICD

Cain was a member of the Board of Directors from November 2003 to May 2015 and from August 2015 until his resignation in January 2016.

Michelle Noort RN, CCC, MHSc, CRT Public Sector Management, MAICD

Michelle was a member of the Board of Directors from February 2011 until her resignation in December 2015.

John Sintras GAICD

John was a member of the Board of Directors from August 2009 until his resignation in January 2016.

Cain Beckett and John Sintras resigned on taking employment in Victoria and New York, respectively. Michelle Noort resigned on taking employment which might have conflicted with the interests of the Company.

Company Secretary

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

Anthony Cannon BA (Econ), FCIS, CPA, MAICD, M. Mgt, M. Bus Law

Tony has been employed by Cerebral Palsy Alliance since 1988. In 1996 he was appointed Company Secretary to the Board and all Board Committees. Tony is also the General Manager, Compliance.

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 Members	Board of Directors' Meetings		Finance & Audit Committee Meetings		Human Resources Committee Meetings		Services Committee Meetings		Community Relations, Fundraising & Marketing Committee Meetings		Research Committee Meetings		Nominations & Governance Committee Meetings	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended
Paul Masi	10	10	4	4			4	4					2	2
Mark Bryant	10	10	4	4					3	2			2	2
Andrew Buchanan	10	7							3	2	4	4		
Kathryn Dent	10	10			3	3								
Alexandra Lisney	10	8			3	1					4	2		
Bob Miller	10	10	4	3	3	2	4	4	3	2				
Leanne Wallace [#]	2	1												
John Warn ^{***}	3	1												
Jacqui Wisemantel	10	8	4	2			4	1	3	3				
Cain Beckett ^{**}	4	3			1	1	1	1					1	1
Michelle Noort [*]	5	3					2	2						
John Sintras ^{**}	5	4	2	1					2	2				

* Michelle Noort resigned from the Board of Directors in December 2015
 *** John Warn was appointed to the Board of Directors in April 2016

** John Sintras & Cain Beckett resigned from the Board of Directors in January 2016
 # Leanne Wallace was appointed to the Board of Directors in May 2016

Board Committees

The agendas for Committee meetings are prepared in conjunction with the Chairs of the relevant Committees. 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.

The purpose and function of these Board Committees are described below.

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 Committee

The Services Committee reviews, advises and makes recommendations to the Board on the nature and scope of service practice and delivery within Cerebral Palsy Alliance.

The Committee also consults widely with stakeholders through client and family forums about effective service delivery so that issues of duty of care, legal liability and service quality are brought to the Board's attention.

Community Relations, Fundraising and Marketing Committee

The Community Relations, Fundraising and Marketing Committee considers matters related to the image and profile of 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 and marketing 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.

Approved research projects are referred to the Ethics Committee for consideration and ethical approval. All recommendations of the Ethics Committee in respect of research proposals are made to the Board.

Nominations and Governance Committee

The Nominations and Governance Committee assists the Board in fulfilling its governance responsibilities for matters of succession planning and appointments to the Board and senior management, formulating Directors' induction programs, assessing Board and Director performance and reviewing and assessing Committee membership.

Ethics Committee

Cerebral Palsy Alliance has an Ethics Committee which ensures that appropriate consideration is given to any potential risks, harms and benefits associated with participation in a research study. The Committee may propose changes to the study that will manage or minimise risks and improve the understanding of potential harms and benefits so that participants are able to provide informed consent.

The Ethics Committee is not designated as a Committee of the Board.

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.

Resolution requirements for general meetings are in accordance with the Australian Charities and Not-for-profit Commission 2012 Act.

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.

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 Cerebral Palsy Alliance is an inclusive society for people with cerebral palsy and their families.

The 2016-2019 Strategic Plan articulates the following:

OUR PURPOSE For people with cerebral palsy, building futures						
OUR VISION	EMPOWERING PEOPLE, CHANGING LIVES				LEADING RESEARCH IN THE PREVENTION, TREATMENT AND CURE OF CP	MAKING IT HAPPEN
OUR PILLARS	OUR CLIENTS	OUR REACH	OUR SERVICE MENU	OUR PEOPLE	OUR RESEARCH	OUR LEADERSHIP
OUR KEY GOALS	The best and most trusted advisor and service provider that makes a difference to our clients through their life journey	Highly efficient and innovative operations that maximise the number of people we support	World class service menu that assists our clients to live, learn and participate fully in their communities	Attract, develop and retain great people who live our values	Global leader in CP research	Strong foundations, influence and impact
OUR DELIVERABLES	We develop responsive client relationships and are the first choice for our clients	We offer the right services, in the right places, at the right time	We offer more personalised services that deliver effective outcomes	Staff have the skills and confidence they need to provide safe, high quality services	We deliver breakthrough discoveries for people with CP	We are informed and manage the organisation effectively and efficiently. We are well regarded and supported by funders and donors
CLIENT BENEFITS	Clients are delighted by our experience and the easy access to the services and supports they need	Clients receive timely and convenient services	Clients receive high quality services	Clients receive services from the most respected and engaged staff in the industry	Clients are able to participate in and/or benefit directly from CP research	Clients' needs and expectations are understood and well managed
OUR SOCIAL IMPACT	Clients report satisfaction with or improvements in their quality of life			We create training to work pathways for students, employees and people living with disability. We have a strong volunteer network supporting people living with disability	Global research identifies interventions to reduce the prevalence, incidence and severity of CP in Australia	We influence major changes in policy or funding that have a positive impact on people with CP/living with disability
OUR VALUES Respect Integrity Courage Passion Excellence						

Directors' Report continued

Operating and Financial Review

The deficit of the group for the financial year was \$1,299,000 (2015: surplus of \$172,000). The Company and each of its controlled entities are exempt from Income Tax.

State of Affairs

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 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

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 its members.

Likely Developments

With the transition of the disability sector to the National Disability Insurance Scheme (NDIS) over the next few years, payment for services will transition to being received directly from clients rather than directly from State Government. 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

Since the end of the previous financial year, the Company has not indemnified or made a relevant agreement for

indemnifying against a liability of any person who is or has been an officer or auditor of the Company.

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 32 and forms part of the Directors' Report for the financial year ended 30 June 2016.

Members

As at 30 June 2016 there were 327 members (2015: 359 members) of the Company.

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

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

Signed in accordance with a resolution of the Directors:



P. Masi
Director

Allambie Heights
28 September 2016



R. Miller
Director

Allambie Heights
28 September 2016



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 14 to 31 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 2016 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; and
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due;
- (c) there are reasonable grounds to believe that the Company and the Group entities identified in Note 24 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 Class Order 98/1418.

Signed in accordance with a resolution of the directors:



P. Masi
Director

Allambie Heights
28 September 2016



R. Miller
Director

Allambie Heights
28 September 2016

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 2016;
- (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 2016;
- (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 2016; 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

Allambie Heights
28 September 2016

Consolidated Statement of Financial Position

as at 30 June 2016

	NOTE	2016 \$'000	2015 \$'000
ASSETS			
Cash and cash equivalents	8	6,121	3,791
Trade and other receivables	9	3,712	4,037
Inventories	10	261	207
Investments	11	6,469	5,069
TOTAL CURRENT ASSETS		16,563	13,104
Investments	11	24,669	24,866
Property, plant and equipment	12	37,149	37,446
Intangible assets	13	48	599
TOTAL NON-CURRENT ASSETS		61,866	62,911
TOTAL ASSETS		78,429	76,015
LIABILITIES			
Trade and other payables	14	15,330	8,589
Employee benefits	15	6,172	8,536
TOTAL CURRENT LIABILITIES		21,502	17,125
Employee benefits	15	1,259	1,199
TOTAL NON-CURRENT LIABILITIES		1,259	1,199
TOTAL LIABILITIES		22,761	18,324
NET ASSETS		55,668	57,691
EQUITY			
General funds		55,354	56,331
Fair value reserve	16	314	1,360
TOTAL EQUITY		55,668	57,691

The notes on pages 18 to 31 are an integral part of these consolidated financial statements.

Consolidated Statement of Comprehensive Income

for the year ended 30 June 2016

	NOTE	2016 \$'000	2015 \$'000
Revenue from government funding	4	55,730	49,949
Revenue from fundraising and bequests		28,144	29,435
Revenue from rendering of services		9,924	7,518
Revenue from sale of goods		1,870	1,549
Accommodation expenses		(17,072)	(15,958)
Individual and family support expenses		(25,446)	(23,435)
Employment services expenses		(6,645)	(6,286)
Community access service expenses		(10,159)	(8,999)
Technical services expenses		(2,485)	(2,988)
Community education and information expenses		(7,982)	(8,008)
Research grants and expenses		(4,282)	(2,841)
Fundraising expenses		(11,022)	(11,058)
Cost of goods sold		(485)	(346)
Gross surplus		10,090	8,532
Rental income		96	19
Other Expenses	6	(13,693)	(10,812)
Gain/(loss) on sale of property, plant and equipment		(198)	635
Results from operating activities		(3,705)	(1,626)
Net finance income	7	2,406	1,798
(Deficit)/surplus before income tax		(1,299)	172
Income tax expense	2(m)	-	-
(Deficit)/surplus for the year after income tax		(1,299)	172
Other comprehensive (expense)/income			
Net change in fair value of other investments	7	(724)	905
Total other comprehensive (expense)/income, after income tax		(724)	905
Total comprehensive (expense)/income for the year		(2,023)	1,077

The notes on pages 18 to 31 are an integral part of these consolidated financial statements.

Consolidated Statement of Changes in Equity

for the year ended 30 June 2016

	NOTE	General Funds \$'000	Fair Value Reserve \$'000	Total Equity \$'000
Balance at 1 July 2014		55,009	1,605	56,614
Surplus for the year		172	-	172
<i>Other comprehensive income</i>				
Net change in fair value of investments	7	-	905	905
Total other comprehensive income for the year		-	905	905
Total comprehensive income for the year		172	905	1,077
Transfer of gain on sale of investments classified as fair value through other comprehensive income		1,150	(1,150)	-
Balance at 30 June 2015		56,331	1,360	57,691
Balance at 1 July 2015		56,331	1,360	57,691
Deficit for the year		(1,299)	-	(1,299)
<i>Other comprehensive income</i>				
Net change in fair value of investments	7	-	(724)	(724)
Total other comprehensive expense for the year		-	(724)	(724)
Total comprehensive expense for the year		(1,299)	(724)	(2,023)
Transfer of loss on sale of investments classified as fair value through other comprehensive income		322	(322)	-
Balance at 30 June 2016		55,354	314	55,668

The notes on pages 18 to 31 are an integral part of these consolidated financial statements.

Consolidated Statement of Cash Flows

for the year ended 30 June 2016

	2016 \$'000	2015 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash receipts in the course of operations	107,078	96,439
Cash payments to suppliers and employees	(102,446)	(93,089)
Net cash from operating activities	4,632	3,350
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	232	246
Distributions from trusts and dividends	2,190	1,554
Acquisition of property, plant and equipment	(3,109)	(4,858)
Acquisition of intangible assets	-	(17)
Net purchase of other investments	(1,923)	(1,378)
Proceeds from sale of property, plant and equipment	324	2,173
Net cash used in investing activities	(2,286)	(2,280)
CASH FLOWS FROM FINANCING ACTIVITIES		
Financing costs	(16)	(2)
Net cash used in financing activities	(16)	(2)
Net increase in cash and cash equivalents	2,330	1,068
Cash and cash equivalents at the beginning of the financial year	3,791	2,723
Cash and cash equivalents at the end of the financial year	6,121	3,791

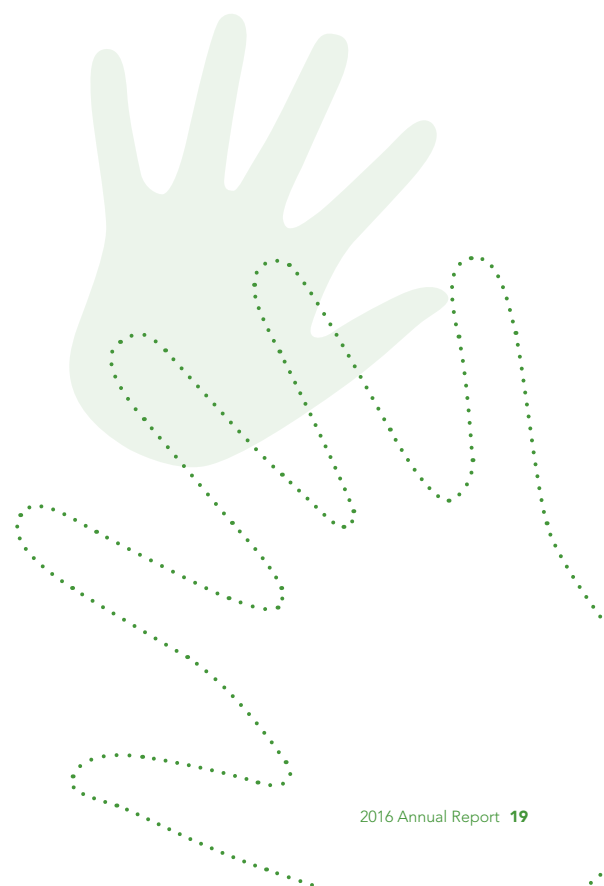
The notes on pages 18 to 31 are an integral part of these consolidated financial statements.

Notes to and
Forming Part of the
**Financial
Statements**

for the year ended 30 June 2016



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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 2016 comprise the financial statements of the Company and its controlled entities (together referred to as the “Group”). The Group is a not-for-profit entity.

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

The financial report was authorised for issue by the Board of Directors on 28 September 2016.

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 historical cost basis except for financial assets that are 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.

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 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.

D) PROPERTY, PLANT AND EQUIPMENT (continued)

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%

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

All of the Group's leases are operating leases and neither the leased assets nor the future obligation to pay rentals are recognised in the Group's statement of financial position.

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.

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) REVENUE AND INCOME

Government funding, fundraising and bequests

Revenue from non-reciprocal grants and donations is recognised when the Group obtains control of the asset or the right to receive it; it is probable that the economic benefits from the asset will flow to the Group; and the amount of the revenue can be measured reliably.

Grants or donations which are reciprocal in nature (those which have to be returned if the Group fails to deliver specified services or fulfil specified conditions) are initially recognised as deferred revenue (liability), with revenue recognised as the services are performed or the conditions are fulfilled.

Revenue from bequests of shares or other property is recognised at fair value, being the market value of the asset received at the date on which the Group becomes legally entitled to the asset.

Rendering of services

Revenue from rendering of services is recognised in proportion to the stage of completion of the transaction at reporting date. The stage of completion is assessed by reference to work performed.

Sale of goods

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns, trade discounts or volume rebates. Revenue is recognised when persuasive evidence exists, usually in the form of an executed sales agreement, that the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably. If it is probable that discounts will be granted and the amounts can be measured reliably, the discounts are recognised as a reduction of revenue as the sales are recognised.

Financial 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.

Rental income

Rental income is recognised in surplus or deficit on a straight-line basis over the terms of the lease.

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.

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

Operating lease payments

The Group has entered into leases of land, properties, motor vehicles and IT equipment as disclosed in note 18.

The Group has determined that all the risks and rewards of ownership of these premises, vehicles and equipment remain with the lessor and has therefore classified the leases as operating leases.

Payments made under operating leases are recognised in the Statement of Comprehensive Income on a straight-line basis over the term of the lease.

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) NEW STANDARDS AND INTERPRETATIONS NOT YET ADOPTED

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 July 2016, and have not been applied in preparing these financial statements. These include AASB 15 *Revenue from Contracts with customers*, which becomes mandatory for the Group's 2018 consolidated financial statements; and AASB 16 *Leases*, which becomes mandatory for the Group's 2020 consolidated financial statements.

The Group does not plan to early adopt the above named standards and the extent of the impact of these standards has not yet been determined.

3. DETERMINATION OF FAIR VALUES

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

Financial assets at fair value

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

Non-derivative financial liabilities

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

Trade and other receivables

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

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

	CONSOLIDATED	
	2016 \$'000	2015 \$'000
4. GOVERNMENT FUNDING		
The following government support is included under Government funding:		
Commonwealth Government	4,808	4,815
NSW Government	50,922	45,134
Total government funding	55,730	49,949

5. REMUNERATION OF AUDITORS

AUDIT SERVICES

Auditors of the Company - KPMG Australia

Audit of the financial report	134	129
Other regulatory audit services	11	11
	145	140

OTHER SERVICES

Auditors of the Company - KPMG Australia

Other assurance services	-	-
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6. EXPENSES

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

Wages and salaries	5,664	5,176
Depreciation	1,057	923
IT Equipment and leasing	941	708
Insurance	457	569

Total expenses in the Consolidated Statement of Comprehensive Income include defined contribution superannuation expense of \$5,042,000 (2015: \$4,652,000) and rental expense on operating leases of \$1,935,000 (2015: \$1,691,000).

	CONSOLIDATED	
	2016 \$'000	2015 \$'000
7. FINANCE INCOME AND FINANCE COSTS		
RECOGNISED IN SURPLUS OR DEFICIT		
Interest income – Short-term cash deposits	128	150
Interest income – Investments	104	96
Dividend and trust distribution income	2,190	1,554
Total finance income	2,422	1,800
Finance costs – borrowing costs	(16)	(2)
Net finance income recognised in surplus or deficit	2,406	1,798
RECOGNISED IN OTHER COMPREHENSIVE INCOME		
Net change in fair value of financial assets at fair value through other comprehensive income	(724)	905
Finance income recognised in other comprehensive income	(724)	905
8. CASH AND CASH EQUIVALENTS		
Cash at bank and in hand	3,053	671
Short-term bank deposits	3,068	3,120
Total cash and cash equivalents	6,121	3,791

The carrying amount of cash and cash equivalents as at 30 June 2016 and 2015 was equal to their fair value.

	CONSOLIDATED	
	2016 \$'000	2015 \$'000
9. TRADE AND OTHER RECEIVABLES		
CURRENT		
Trade receivables	840	1,278
Other receivables	2,250	2,077
Prepaid expenses	622	682
Total trade and other receivables	3,712	4,037

The carrying amount of trade and other receivables as at 30 June 2016 and 2015 was equal to their fair value. Trade receivables are shown net of an allowance for impairment losses of \$19,000 (2015: \$19,000).

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

Balance at 1 July	19	17
Amounts written off	-	-
Impairment loss reversed	-	-
Impairment loss for the year	-	2
Balance at 30 June	19	19

10. INVENTORIES

Non-manufacturing stores	261	207
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11. INVESTMENTS

CURRENT

Financial assets at fair value through surplus or deficit	6,469	5,069
Total current investments	6,469	5,069

NON-CURRENT

Financial assets at fair value through other comprehensive income	24,669	24,866
Total non-current investments	24,669	24,866

12. PROPERTY, PLANT AND EQUIPMENT	Freehold Land \$'000	Buildings \$'000	Improvements to Crown Land \$'000	Plant and Equipment \$'000	Motor Vehicles \$'000	Capital Works in Progress \$'000	Total \$'000
COST							
At 1 July 2015	4,076	35,683	1,719	4,135	4,670	24	50,307
Acquisitions	246	729	-	4	1,138	992	3,109
Transfers	-	742	-	265	-	(1,007)	-
Disposals	-	(74)	-	-	(817)	-	(891)
At 30 June 2016	4,322	37,080	1,719	4,404	4,991	9	52,525
DEPRECIATION AND IMPAIRMENT LOSSES							
At 1 July 2015	-	7,267	1,350	2,543	1,701	-	12,861
Depreciation charge for the year	-	1,455	18	470	941	-	2,884
Disposals	-	(1)	-	-	(368)	-	(369)
At 30 June 2016	-	8,721	1,368	3,013	2,274	-	15,376
CARRYING AMOUNTS							
At 1 July 2015	4,076	28,416	369	1,592	2,969	24	37,446
At 30 June 2016	4,322	28,359	351	1,391	2,717	9	37,149

	CONSOLIDATED	
	2016 \$'000	2015 \$'000
13. INTANGIBLE ASSETS		
COMPUTER SOFTWARE		
Cost		
At 1 July	1,945	1,928
Acquisitions	-	17
Disposals	(1,216)	-
At 30 June	729	1,945
Accumulated amortisation		
At 1 July	1,346	1,072
Amortisation charge for the year	215	274
Disposals	(880)	-
At 30 June	681	1,346
Carrying amount		
At 1 July	599	856
At 30 June	48	599

The amortisation charge is included within the other expenses in the Statement of Comprehensive Income.

	CONSOLIDATED	
	2016 \$'000	2015 \$'000
14. TRADE AND OTHER PAYABLES		
CURRENT		
Trade payables	2,661	1,816
Government funding received in advance	6,695	2,816
Other creditors and accruals	4,182	3,183
Deferred revenue	1,792	774
Total trade and other payables - current	15,330	8,589

The carrying amount of trade and other payables as at 30 June 2016 and 2015 was equal to the fair value.

15. EMPLOYEE BENEFITS		
CURRENT		
Salaries and wages accrued	845	3,092
Provision for redundancy	339	-
Liability for annual leave	2,737	2,878
Liability for long service leave	2,251	2,566
Total employee benefits - current	6,172	8,536
NON-CURRENT		
Liability for long service leave	1,259	1,199

16. FAIR VALUE RESERVE

The fair value reserve records the cumulative net changes in fair value of financial assets at fair value through other comprehensive income.

17. FINANCING FACILITIES

The Group has access to a bank overdraft (unused as at the reporting date) of \$500,000 (2015: \$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 (2015: \$5,500,000) secured by managed funds held within the investment portfolio (unused at date of reporting).

18. OPERATING LEASES		
LEASES AS LESSEE		
Future operating lease commitments not provided for in the financial statements and payable:		
- not later than one year	1,105	1,309
- later than one year but not later than five years	546	997
- later than five years	80	105
Total operating leases	1,731	2,411

18. OPERATING LEASES (continued)

The leases cover:

Type	Term
Properties	0 - 60 Months
Improvement to Crown Land	50 Years
Wheelchair-accessible Motor Vehicles	60 Months
IT Equipment	36 - 60 Months

None of the leases include contingent rentals. All include options to renew.

Long-term lease of land

On 1 December 2006, the Group entered into a long-term operating lease of land at Allambie Heights with the State of New South Wales (the 'lessor'). The lease term is 50 years with an option to renew for a further 40 years. Under the terms of the lease, the Group pays a nominal rent. The fair value of the lease rental of \$893,000 (2015: \$876,000) has been recognised as an expense in surplus or deficit. However, this is offset by a contribution income from the lessor of the same amount which is also recognised in surplus or deficit. Accordingly, there is no net impact on the net surplus or deficit for the current or previous years.

19. CAPITAL AND OTHER EXPENDITURE COMMITMENTS

As at 30 June 2016 the Group had made contractual capital commitments and other expenditure commitments of \$nil (2015: \$nil) which had been contracted for as at that date but not recognised as liabilities.

20. 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 2016, the Group has bank guarantees amounting to \$177,000 (2015: \$172,000) in connection with certain properties on operating lease. As at 30 June 2016, the bank guarantee facility of the Group has a maximum limit of \$200,000 (2015: \$200,000) of which \$23,000 (2015: \$28,000) was unused as at the reporting date.

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

Contingencies – litigation

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

any matters as it is not probable that a future sacrifice of economic benefits will be required, or the amount is not capable of reliable measurement.

Deed of Cross Guarantee

Under the terms of the deed of cross guarantee entered into in accordance with ASIC Class Order (98/1418) the Company has undertaken to meet any shortfall which might arise on the winding up of the controlled entities which are party to the deed (refer note 24). 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.

21. RELATED PARTY INFORMATION

Directors' compensation

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

	CONSOLIDATED	
	2016 \$	2015 \$
KEY MANAGEMENT PERSONNEL COMPENSATION		
The key management personnel compensation is as follows:		
Short-term benefits	2,583,153	2,577,618
Long-term benefits	100,569	33,900
	2,683,722	2,611,518

Payments to defined contribution superannuation funds in respect of key management personnel amounted to \$224,000 (2015: \$211,000). These have been classified under short-term benefits.

22. 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 2016 there were 327 members (2015: 359).

23. 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.

24. 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 - Community Access Services

Cerebral Palsy Alliance - Venee Burges House

The Cerebral Palsy Institute

The CP Institute

United Cerebral Palsy Australia

The Australian Cerebral Palsy Register

The Australian CP Register

The CP Foundation

International CP Foundation

CP Research Foundation

Subsidiary not subject to Deed of Cross Guarantee

The Cerebral Palsy Foundation Pty Ltd

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

Each subsidiary is wholly owned.

Pursuant to ASIC Class Order 98/1418 (as amended) dated 13 August 1998, the wholly-owned subsidiaries listed above are relieved from the ACNC 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.

The subsidiary which is not subject to the Deed of Cross Guarantee is a dormant entity with no transactions or balances in this entity. Accordingly, the consolidated statement of financial position and consolidated statement of comprehensive income presented on pages 14 and 15 of the financial statements represent the consolidated results of the Group Entities after eliminating all transactions between parties to the Deed of Cross Guarantee.

25. PARENT ENTITY DISCLOSURES

As at, and throughout the financial year ended 30 June 2016 the parent entity of the consolidated entity was Cerebral Palsy Alliance. The parent entity's result, financial position and contingencies were identical to those of the Group.

Parent entity contingencies

The parent entity had the same bank guarantees and contingencies relating to litigation as are disclosed in relation to the Group in Note 20.

The parent entity has entered into a Deed of Cross Guarantee with the effect that the parent entity guarantees debts of its subsidiaries.

Further details of the Deed of Cross Guarantee and the subsidiaries subject to the deed are disclosed in Note 24.

26. SUBSEQUENT EVENTS

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

27. ECONOMIC DEPENDENCY

The Group is dependent upon the ongoing receipt of grants from the Commonwealth and NSW State Departments to ensure the continuance of its services.

This dependency is reducing. With the transition of the disability sector to the National Disability Insurance Scheme (NDIS), services are increasingly being provided to fee-paying clients.

Lead Auditor's Independence declaration



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 2016 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.

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

KPMG

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

Daniel Robinson
Partner

Sydney

28 September 2016

KPMG, an Australian partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.

Liability limited by a scheme approved under Professional Standards Legislation.

Independent Auditor's Report



Independent auditor's report to the members of Cerebral Palsy Alliance

Report on the financial report

We have audited the accompanying financial report of Cerebral Palsy Alliance (the Company), which comprises the consolidated statement of financial position as at 30 June 2016, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year ended on that date, notes 1 to 27 comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration and declaration by the Chief Executive Officer in respect of fundraising appeals of the Group comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

This audit report has also been prepared for the members of the Group pursuant to *Australian Charities and Not-for-profits Commission Act 2012* and the *Australian Charities and Not-for-profits Commission Regulation 2013* (ACNC) and 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 (collectively the Acts and Regulations)

Directors' responsibility for the financial report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with the Australian Accounting Standards – Reduced Disclosure Requirements, the ACNC, the Acts and Regulations. The directors' responsibility also includes such internal control as the directors determine necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

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

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

We performed the procedures to assess whether in all material respects the financial report gives a true and fair view, in accordance with Australian Accounting Standards- Reduced Disclosure Requirements, and the ACNC which is consistent with our understanding of the Group's financial position and of its performance.

In addition, our audit report has also been prepared for the members of the Group to meet the requirements of the Acts and Regulations. Accordingly, we have performed additional work beyond that which is performed in our capacity as auditors pursuant to the ACNC. These additional



procedures included obtaining an understanding of the internal control structure for fundraising appeal activities and examination, 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.

It should be noted that the accounting records and data relied upon for reporting on fundraising appeal activities are not continuously audited and do not necessarily reflect after the event accounting adjustments and the normal year-end financial adjustments for such matters as accruals, prepayments, provisioning and valuations necessary for year-end financial report preparation.

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

Independence

In conducting our audit, we have complied with the independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

Auditor's opinion

In our opinion, the financial report of Cerebral Palsy Alliance is in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* including:

- (a) giving a true and fair view of the Group's financial position as at 30 June 2016 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards- Reduced Disclosure Requirements the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Audit opinion pursuant to the Charitable Fundraising Act (NSW) 1991

In our opinion:

- (a) the financial report gives a true and fair view of Cerebral Palsy Alliance financial result of fundraising appeal activities for the financial year ended 30 June 2016;
- (b) the financial report has been properly drawn up, and the associated records have been properly kept for the period from 1 July 2015 to 30 June 2016, in accordance with the *Charitable Fundraising Act (NSW) 1991* and Regulations;
- (c) money received as a result of fundraising appeal activities conducted during the period from 1 July 2015 to 30 June 2016 has been properly accounted for and applied in accordance with the *Charitable Fundraising Act (NSW) 1991* and Regulations; and
- (d) there are reasonable grounds to believe that Cerebral Palsy Alliance will be able to pay its debts as and when they fall due.



Audit opinion pursuant to the Charitable Collections Act (WA) 1946 and Charitable Collections Regulations (WA) 1947

In our opinion:

In accordance with the requirements of Section 15(2) of the *Charitable Collections Act (WA) 1946* and *Charitable Collections Regulations (WA) 1947* (the Act and Regulations), we have reviewed the Act and Regulations for the purpose of reporting whether, as a result of completing our audit procedures on the financial report of the Group for the year ended 30 June 2016, we have not become aware of any condition or event that constitute a material default by the Group in the performance of, or compliance with, any requirements of the Act or Regulations.

In our opinion, the Group, for the year ended 30 June 2016, has complied in all material respects with the requirements of the *Charitable Collections Act (WA) 1946* and *Charitable Collections Regulations (WA) 1947*.

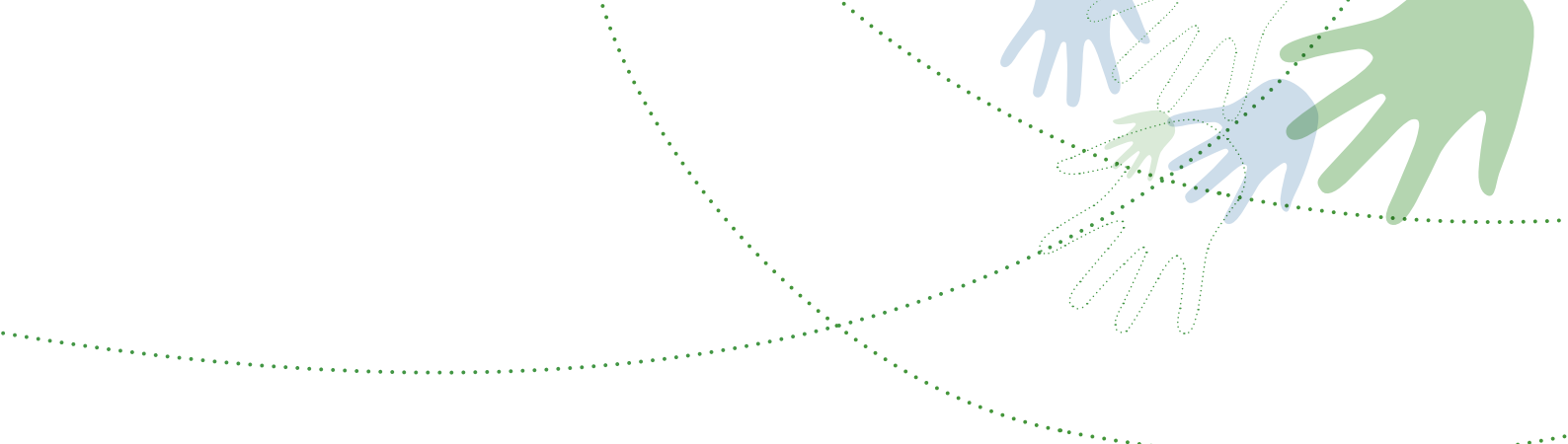
A handwritten signature of Daniel Robinson in black ink, written in a cursive style.

KPMG

A handwritten signature of Daniel Robinson in black ink, written in a cursive style.

Daniel Robinson
Partner


Sydney
28 September 2016



Cerebral Palsy Alliance builds futures for children and adults with cerebral palsy in NSW and the ACT. The organisation was founded under the name The Spastic Centre on 30 January 1945 by a concerned group of 25 parents of children with cerebral palsy, led by Neil and Audrie McLeod.

Cerebral Palsy Alliance provides vital supports, services and equipment for close to 5,000 children and adults each year.

Cerebral Palsy Alliance also funds research for cerebral palsy prevention, cure and intervention. We fund the world's best and brightest minds in cerebral palsy research – many here in Australia. Our grants shape the direction of cerebral palsy research, and help build careers dedicated to the prevention and cure of this complex condition.






Cerebral Palsy
ALLIANCE



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