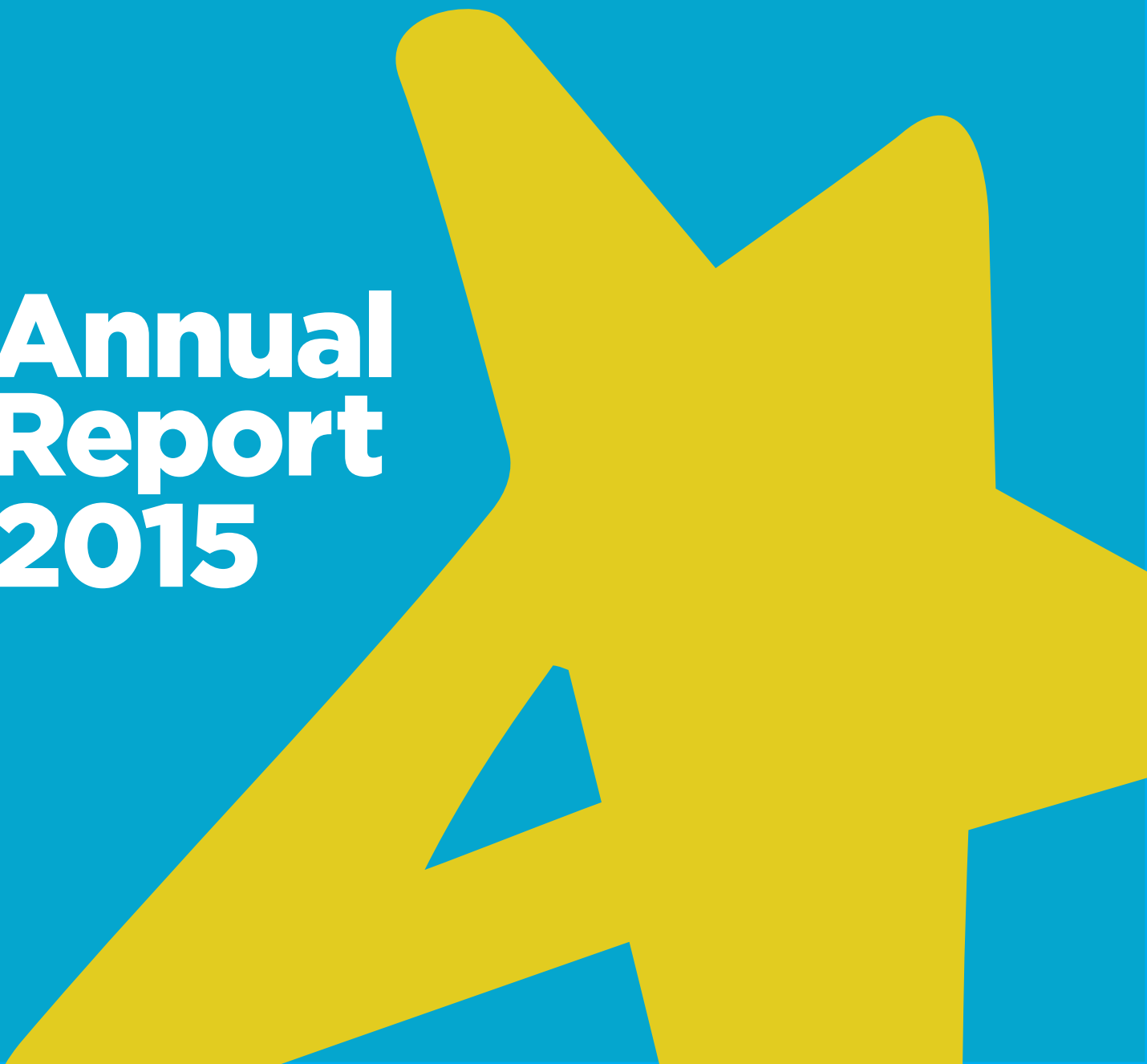




**Leaders in Disability.  
Specialists in  
Cerebral Palsy.**

# **Annual Report 2015**



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## **Ability Centre**

106 Bradford Street, Coolbinia WA 6050

**Tel** 08 9443 0211

**Fax** 08 9444 7299

**Email** [info@abilitycentre.com.au](mailto:info@abilitycentre.com.au)

**[abilitycentre.com.au](http://abilitycentre.com.au)**



## **Our Mission**

**“To be the leading provider of quality services to people with disability in Western Australia.”**

## **Our Purpose**

**“To support people with disability and their families through a range of services, supports and community awareness, maintaining a specialty in Cerebral Palsy.”**

## **Our Strategic Directions**

**Putting People First**

**Growing through Change**

**Leading from the Front**



# A New Direction



**For almost 65 years our organisation specialised in cerebral palsy. It's a part of our DNA, and it's the reason we were originally formed. It will always be our passion and our specialisation.**

However, over the last decade, people with other disabilities have also come to use our services and benefited greatly from our quality services, supports, and expertise.

So, we asked ourselves: Is there a role for us as a broader disability provider while retaining our specialty in cerebral palsy? We decided there was.

After substantial consultation with service users, families, staff and others, we chose the name Ability Centre to better represent what we do every day. We want to challenge, to inspire and support people to achieve their dreams.

Our challenge in designing our new identity was to create a brand that captures the optimism, energy, breadth of expertise and the exciting vision we have for our organisation. Our new brand suggests a positive and exciting future while building on our past achievements.

We look forward to welcoming you to Ability Centre to see the changes. And while we might look different on the outside we will continue to remain true to our values: a commitment to individualised support and services, innovation and above all else, excellence.





# Chairman's Report



**Renaming is a big step for any organisation. Never so much so than for The Centre for Cerebral Palsy, a name that describes our cause and has been in existence for over six decades.**

The National Disability Insurance Scheme (NDIS), announced by the previous Federal Government, brought with it a more competitive market place in which we operate. We believed that our name did not fully reflect the broad range of clients we are currently servicing. To address this, we sought feedback from our members and service users and moved toward agreeing on a new name and refreshing our brand.

It was a bold move. However, with our service-user profile moving away from solely people with a cerebral palsy diagnosis, to broader disabilities such as autism and acquired head injuries, there came the need for us to market our services to a wider audience.

This change will not adversely impact on our strong commitment to our service users with cerebral palsy. It is a reality of the new NDIS world that we need to expand our service base to remain a sustainable organisation into the future. And the new brand has provided us with a chance to take centre stage and better demonstrate the great work we are already doing across Western Australia.

Watching how Ability Centre has been perceived since the brand launch, I am now confident that we have a brand that can take us into the future.

The change to Ability Centre is a demonstration of our ability to respond strategically to the new disability service environment. We have recognised the important role our organisation has to play in the broader roll out of the NDIS and NDIS My Way trials across Western Australia. With that, we have taken further steps to position the organisation to meet anticipated higher demand by expanding our geographical reach and strengthening our range of services to ensure we are well prepared to meet the increasing needs of more people with disability. I admire the hard work and dedication of our staff during this significant time of change and thank them for giving us confidence in our future growth and the supports and services that we provide.

In this year of remarkable transformation, the changes we are pursuing would not have been possible without the continued support of the community. At our launch and other community events, it was a pleasure to connect with our members, volunteers, supporters and in particular, our service users and families.

On behalf of Ability Centre, I acknowledge the outstanding support of our corporate, foundation, community and individual donors. It is your generosity through charitable financial contributions and meaningful volunteering





that allows us to realise our shared vision that all individuals with disability achieve full participation and inclusion in their community.

On behalf of the Board of Directors, I extend sincere thanks to the Chief Executive Officer, Judy Hogben and wish her all the best for her retirement. Judy has displayed exceptional leadership over the past seven years, and demonstrated an unwavering commitment to build an inclusive society for people with disability and their families. The Board of Ability Centre has now finalised the process of seeking a replacement for Judy. I am very pleased to inform you that we have secured Suzi Cowcher as our new Chief Executive Officer. Suzi's appointment as CEO of Ability Centre will support us to build on our outstanding work and excellent reputation as a leading disability service provider in Western Australia. As always, I acknowledge the Executive team for providing the leadership and innovation necessary to drive change across the organisation and pursue our strategic directions.

I gratefully acknowledge our Board. Their time, energy and expertise are given so generously to the stewardship of our organisation on behalf of service users and members. Good governance is increasingly complex and demanding, but as always, their commitment to our purpose

continues to drive their giving.

As we head into an exciting new era, we are committed to ensuring Ability Centre continues to honour our values of providing personalised services and supports and excellence in all aspects of our service; leadership in knowledge and technology; strategic workforce attraction and development; and to be a sustainable but flexible organisation that delivers now and is ready for tomorrow.

**Robert McDonald**

Director (Chairperson)







# CEO's Report



**It is with a great sense of shared accomplishment that I write my last message as CEO for the Ability Centre Annual Report.**

Over the past seven years I have seen remarkable growth and change at the Centre. This was especially so in the past year as the Centre transitioned from The Centre for Cerebral Palsy to Ability Centre. The new name and brand is contemporary and reflective of how our services operate, and who we offer services to. The level of positive feedback and level of enthusiasm for the new name from a range of people indicates that 'Ability Centre' has been well received.

As the NDIS and the My Way trials rollout, I am very confident that the services provided by Ability Centre are appropriate, responsive and dynamic, and cement our position as a leader in the disability sector.

Over the last few years we have embarked upon a determined drive to decentralise our service delivery and to offer services within local communities. I am pleased to say that as of the end of June, the Canning Vale hub was close to completion and due to open by end of September. With services offered in Ellenbrook, Malaga, Midland, Currambine and Coolbinia, Ability Centre now operates in major and accessible communities and will continue to offer more flexible services to meet the needs of service users and of course staff.

Redeveloping our infrastructure is an investment in the future, not only for Ability Centre, but for service users. I am continually inspired by the development at Mindaroo Rise. Though the building process was long and detailed, wonderful homes have been created for the twenty five residents. Significant planning is now underway for the redevelopment of Hillroyd, and for the first time for many of the residents, the expectation is that they will have a welcoming and suitable home for their future.

In 2015 Ability Centre welcomed the acquisition of Dreamfit. Dreamfit has a reputation for creativity and design detail for specific needs. It is an essential service for so many people with disability and as a part of Ability Centre, we are excited to continue its good work.

As this is my last report for Ability Centre I would like to thank the Board, the Executive team and staff for their leadership roles, their partnership and support in the myriad of achievements and results gained over the past seven years.

To all of the individuals and families that I have come to know over the last seven years - your openness and comments have helped guide my efforts and those of Ability Centre as a whole.

Together we have achieved a lot and I look forward to seeing future endeavours and successes, and the realisation of dreams and transformations for Ability Centre.

With thanks and with enduring respect.

A handwritten signature in black ink that reads 'Judy Hogben'. The signature is fluid and cursive.

**Judy Hogben**  
Chief Executive Officer

# Our Directors



**Robert McDonald**  
BBus CPA MAICD



**Justin Scanlan**  
BBus CPA MAICD



**Mino Intini**  
BBus



**Daniel Butler**  
BA BCom LLB



**Priya Cooper**  
OAM BSc



**Maria Mansour**  
LLB (Hons)



**Kellie Hasluck**  
BEc



**Janelle Marr**  
BA MBA GAICD



**Ken Nylander**  
BSc



**Glenn Mitchell**



**Gary McGrath**  
BSc, MBA, ACMA,  
GAICD, FLWA.



# Our Executive



## Left to Right

**David Granville;** Director, Service Development & Strategic Relations

**Phil Simich;** General Manager, Strategic Workforce Services

**Marenée Provost;** General Manager, Community Services

**Catherine Greenway;** General Manager, Therapy and Health Services

**Kevin Wilson;** General Manager, Strategic Corporate Support

**Judy Hogben;** Chief Executive Officer

**Wendy Cox;** General Manager, Home and Community Options

**Chris O'Brien;** General Manager, Employment Services







# Our Achievements

In addressing the critical issues likely to impact the organisation over the next three years, Ability Centre has focused on achieving three key strategic objectives.

These objectives are intrinsically linked to our values and are the key drivers to achieving our vision. These are:

## Putting People First

Supporting individuals, families and carers to provide innovative and responsive services that cater for their particular needs and provide real choices and greater ability.

## Growing through Change

Pursuing growth across the organisation through new opportunities while maintaining excellence in existing services.

## Leading from the Front

Leading and providing excellence in technology, service development and delivery as well as influencing community awareness and attitudes relating to disability.

Following are our achievements under each of these key objectives across 2014-2015.



# Putting People First

## NDIS and My Way

**Supporting people with disability to achieve their dreams and celebrate potential, during the large scale changes of the past year, has been an exciting and ever-changing experience for Ability Centre.**

The commencement of the National Disability Insurance Scheme (NDIS) and WA NDIS My Way trials has driven a massive degree of learning for people with a disability, their families and Ability Centre staff. On 1 July 2014, NDIS was launched in the Hills area and WA NDIS My Way was launched in the Lower South West.

Ability Centre is a registered provider in both areas. As a consequence, the new NDIS environment triggered large scale review and remodelling of each aspect of Ability Centre's service delivery processes ensuring our service

users and the organisation gain maximum benefit.

Some illustrations of the new ways of working include: embracing the goals and aspirations of individuals and families and adapting and introducing new ways to deliver services; and learning and experiencing the processes as an insurance funded organisation.

A focus of Ability Centre's energy has been on preparing individuals and families for their pre-planning discussions with their National Disability Insurance Agency Planner or My Way Coordinator. As a partner with individuals and families we support the accurate interpretation and understanding of their plan, assist in linking with the supports and services that best suit them, and provide available staff for any assistance that may be required.

## Expanding our reach into the community

**To enable us to fully respond to the NDIS and the WA NDIS My Way trial as a registered provider of services and supports, Ability Centre is preparing for the opening of the Canning Vale site.**

The new service centre will be accessible for service users seeking therapy and health and other services, and demonstrates our commitment to providing quality and flexible services in the communities where individuals and families live, work and attend school.

The southern hub team will offer a comprehensive range of therapy supports for individuals and their families. This includes specialist clinical services, and working with Local Area Coordinators and My Way Coordinators, schools and health providers to

support the complex needs experienced by people living with disability. Ability Centre is also on the brink of securing satellite offices in Midland and Ellenbrook, in addition to the Coolbinia, Malaga and Currambine sites.

Driven by a commitment to provide services in regional areas, Ability Centre has expanded its services and supports to Bunbury, Busselton, and to Kalgoorlie through the Tjina Maala Centre, an outreach centre providing advocacy and support for Aboriginal families. Ability Centre's CentreConnect program continues to benefit therapists and service users in isolated areas through virtual clinic sessions.

The organisation is now well placed to expand its reach and increase capacity to support children, teenagers and adults with disability living in Western Australia.









## Hillroyd redevelopment

**With the impending rollout of the NDIS and the anticipated No Fault Insurance Scheme in Western Australia, Ability Centre's extensive experience in supporting people with health and physical support needs has placed the organisation in a position to expand its service capacity.**

The large scale Government and policy changes have highlighted the need to drastically expand and update Ability Centre's existing infrastructure. The Minderoo Rise project demonstrated Ability Centre's skills in planning and managing large redevelopments, and there is in principle support for the redevelopment of Ability Centre's shared living with nursing

support facility, Hillroyd.

Hillroyd, built on the Coolbinia site in 1985, is a 20 bed facility. The physical building and current service limits individualised choice and contemporary service delivery.

Ability Centre will explore contemporary models, technology and design options to shape a service that maximises independence, health and other personal goals in a contemporary home-like environment for 25 – 30 adults.



# Create Employment business reallocation

**The Department of Social Services (DSS) announced the results of the Disability Employment Services - Employment Support Services (DES-ESS) business reallocation to all eligible providers seeking additional business.**

Due to its excellent service standard, Create Employment was one of the successful providers to be offered additional business. Create Employment has maintained its strong performance and achieved a 5 star rating against the Disability Employment Services Rating System. Create Employment's market share will rise from 6.9% to 13.1%.

The new business allocation provides Create Employment with an excellent opportunity to significantly expand its business and will assist with developing its service. Furthermore, Create Employment can now deliver quality employment services to more participants in DES-ESS.

DSS also approved Create Employment to have three outreach sites covering more of the North Metro Employment Service Area. Complementing the existing site in Malaga, approved sites are Coolbinia, Currambine and Ellenbrook.





# Growing through Change

## Engaging the Perth community

Throughout the year, Ability Centre has continued to receive amazing support from across the community. With the longstanding support of our volunteers, together with corporate supporters and community partners, we have been fortunate to be the beneficiary of much goodwill and philanthropy.

With the introduction of new fundraising initiatives and the enhancement of existing campaigns, Ability Centre reached a fundraising total of over \$1M for the organisation this financial year. Through this income, Ability Centre was able to purchase over 100 pieces of specialised equipment for individuals, and support a number of important programs across the organisation.

Ability Centre also invested in new fundraising and corporate strategies to expand its community presence:

### The Great Wall of China Challenge

**Ability Centre partnered with Inspired Adventures, a leading adventure fundraising agency in Australia and New Zealand, to create and manage a unique fundraising adventure.**

Ability Centre identified the charity challenge event as an exciting and effective way to raise significant funds, build community awareness and inspire lifelong advocacy.

The launch of the Great Wall of China Challenge fundraising campaign has enabled



Ability Centre to approach a new market of potential donors, increase Ability Centre's profile in the community and creates an event that better reflects Ability Centre's size and stature as an organisation.

The Great Wall of China Challenge aims to attract up to twenty participants and has the potential to raise over \$60,000 for select Ability Centre programs. The Challenge will take place in September 2015.



## Walk With Me – Corporate Challenge

**As part of a national Ability First Campaign, Ability Centre secured a significant partnership with Rocky Bay to host the WA branch of the Dick Smith Walk With Me event.**

The Corporate Challenge was born from a vision that Perth's business community foster a workforce that reflects the full diversity of the community it serves. As well as fundraising, the main aim of the event was to raise awareness of disability in both the workplace and wider community.

The event, held at Government House on International Day for People with Disability, received support from major companies including Commonwealth Bank, PWC and Channel 9. The Corporate Challenge was attended by The Governor of Western Australia Kerry Sanderson AO, and raised \$40,000 for Ability Centre.



# Strategic relationships

**Ability Centre would like to thank all of its corporate and community partners for their ongoing support in 2014-2015.**

Lavan Legal, one of Australia's most innovative legal services firms and a long-time supporter of Ability Centre, announced its sponsorship of the organisation. Securing this new component in the 50 year partnership with Lavan Legal is a testament to Ability Centre's long standing reputation in the WA community and the strength of the organisation's new brand.

Ability Centre's Official Venue Partner, The Old Brewery, continued to host the organisation's Corporate Lunch Series and provided a perfect setting to thank sponsors for their ongoing support as well as offering an exclusive networking opportunity.

In 2014-2015, Ability Centre service users and programs continued to receive generous support from Toybox International and their supporters. With multiple donations, Ability Centre has been able to purchase devices critical to development of children with a range of needs and disabilities.

## Dreamfit partnership

**In Ability Centre's newest strategic venture, the organisation was excited to announce its aquisition of Dreamfit, one of WA's most creative and experienced providers of innovative equipment solutions for people with disability.**

Dreamfit's focus on providing equipment solutions that are not readily available, including sourcing specialised equipment from across the world, was a natural fit to complement Ability Centre's existing customised technology service, CP Tech. Dreamfit will operate as a division of Ability Centre, and will continue to identify opportunities to enhance, and ultimately improve, the lives of thousands of individuals with disability and their families.











# Leading from the Front

## WizzyBug exclusive distribution rights

**CP Tech was appointed as the exclusive distributor of WizzyBugs across Australia and New Zealand after Ability Centre signed a three year agreement with its manufacturer, Bath Institute of Medical Engineering (BIME).**

CP Tech identified this opportunity as WizzyBugs, a powered mobility device that combines toy-like looks with flexible wheelchair based electronics, were not previously sold in Australia.

Ability Centre can now offer a comprehensive supply and support service through CP Tech with access to customisation and maintenance services. During the introductory phase of the agreement, CP Tech has sold WizzyBugs nationwide and has generated significant additional income for CP Tech.



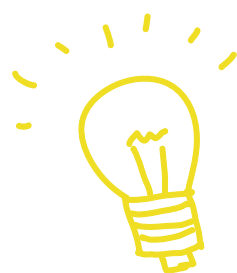
The agreement cements Ability Centre's position as a leader in innovative technology and equipment for people with disability in Western Australia and paves the way for an exciting future ahead for WizzyBugs.

## Investing in Geothermal

**Ability Centre contracted the drilling of an underground bore at the Coolbinia site to implement a ground source heat pump that provides heating and cooling to the main building and swimming pool.**

The Geothermal Heat Exchange System significantly improves the energy efficiency of Ability Centre's site and is expected to reduce operating costs.

The \$1.427M activity received funding from the Australian Government and is another example of Ability Centre's commitment to promoting environmentally sustainable business practices.





# Disability Support Awards

**The Disability Support Awards recognise people in the disability sector providing supports of the highest standards to increase the quality of life and inclusion of people with disability in Western Australia.**

In 2015, six highly regarded Ability Centre staff members were nominated for awards, with three notable professionals winning their respective categories, and one short listed as a finalist.

By winning these awards, Ability Centre not only demonstrated the high calibre of employees, but has once again established itself as a place of innovation, a place for employment, and a place to have a career.

Ability Centre thanks National Disability Services, the Disability Services Commission and sponsors of the event.

## **Excellence in Personal and Community Support Award**

Mahziaz Bahreini

## **Excellence in Improving Employment Opportunities Award**

Ian Thomas, Goodwill Engineering

## **Lifetime Achievement Award**

Gary Taylor

## **Excellence in Improving Participation Award**

Elinor Loomes (finalist)



**Top:** Excellence in Improving Participation Finalist Elinor Loomes

**Above:** Imran Ariff, Gary Taylor and Honourable Kerry Sanderson AO





## Early Intervention Centre

**Building infrastructure to be comfortable and attractive to our service users is of the highest importance.**

The new Early Intervention Centre is being constructed on the Coolbinia site and is expected to be completed in October 2015. This major renovation project has been funded through the generous sponsorship of the McCusker Foundation.

The new facility will provide parents and young children with a welcoming environment in which to meet other families and share experiences, attend playgroup, individual and group therapy sessions and to access advice and information about their child's disability.

# Research

## Hands On!

The Neurological Hand Deformity Classification was developed by Judith Wilton. It was tested at Ability Centre. It is a tool for therapists working with children with cerebral palsy who need hand assistance.



## Breathing For Life

Respiratory illness is the leading cause of premature death and childhood hospital admissions in cerebral palsy. This year, we received a \$111,000 grant from Non-Government Centre Support (NGCS), to develop a respiratory checklist. The checklist is for the early identification of children at risk of serious respiratory illness.



## Walk Aide®

**The walk aide is a small device worn below the knee.**

It delivers electrical stimulation to lower leg muscles with each step. Two studies conducted by Dayna Pool at Ability Centre and Princess Margaret Hospital for Children showed that this device assists children with cerebral palsy to walk better and meet their goals for daily activities and participation.



## Read more:

Blackmore, A. M., Bear, N., Blair, E., Freedman, C., Langdon, K., Moshovis, L., . . . Wilson, C. A. (2015). Factors associated with respiratory morbidity in children, adolescents, and young adults with cerebral palsy. *Developmental Medicine and Child Neurology*, 57(s4), 50.

Blackmore, A. M., Bear, N., Blair, E., Freedman, C., Langdon, K., Moshovis, L., . . . Wilson, A. C. (2013). Factors associated with respiratory morbidity in children, adolescents and young adults with cerebral palsy. Perth, Western Australia: Telethon Institute for Child Health Research under contract with the Department of Health.

Georgiadas, M., Elliott, C., Wilton, J., Blair, E., Blackmore, M., & Garbellini, S. (2014). The Neurological Hand Deformity Classification for children with cerebral palsy. *Australian Occupational Therapy Journal*, 61(6), 394-402.



## Pika Wiya Kuthupa

This NGCS-funded project, led by Jillian Pearsall-Jones, is aimed at identifying the needs of Aboriginal families caring for children with disabilities in the Goldfields region and supports them in meeting these needs. In the past year, an outreach centre has been established. The Tjina Maala Centre, staffed by two Aboriginal Community Engagement Officers, provides information, advocacy and support for Aboriginal families and related stakeholders, such as schools and disability service providers.



## X-celerate

A running program, originally designed for adults with acquired brain injury, was adapted this year by Dr Noula Gibson for children and adolescents with cerebral palsy. The adapted program was highly successful and participants reported many benefits.

## Now You're Talking

Children who are non-verbal can talk using Augmentative and Alternative Communication (AAC) devices. But learning to use an AAC device is like learning a second language. With NGCS funding, senior speech pathologist, Sue Suter assisted 24 AAC users to become more proficient.



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### Read more:

McCabe, S. M., Blackmore, A. M., Abbiss, C. R., Langdon, K., & Elliott, C. (2015). Sleep concerns in children and young people with cerebral palsy in their home setting. *Journal of Paediatric Child Health*.

Pool, D., Blackmore, A. M., Bear, N., & Valentine, J. (2014). Effects of short-term daily community walk aide use on children with unilateral spastic cerebral palsy. *Pediatric Physical Therapy*, 26(3), 308-317.

Pool, D., Valentine, J., Blackmore, A. M., Colegate, J., Bear, N., Stannage, K., & Elliott, C. (2015). Daily functional electrical stimulation during everyday walking activities improves performance and satisfaction in children with unilateral spastic cerebral palsy: a randomized controlled trial. *Archives of Physiotherapy*, 5(5).

A child wearing a blue t-shirt is lying down, partially covered by a teal blanket. To the left of the child is a tall, cylindrical lava lamp with a purple and blue glow. The background is a dark, textured wall. A white dashed line is drawn across the lower right portion of the image, starting from the bottom left and curving upwards to the right, ending near the child's arm.

**Dream, drive  
determination.**





# Our Partners and Sponsors

## Silver Sponsors



## Bronze Sponsors



## Media Partners



## Community and Organisational Partners

Princess Margaret Hospital (Western Australia)  
Telethon Kids Institute  
Act, Belong, Commit

## Funding Bodies, Trusts & Foundations

Disability Services Commission  
Department of Health  
Department of Education  
Department of Social Services  
Lotterywest  
Telethon  
Department of Sports and Recreation  
Perpetual Trustees

Department for Communities  
Australian Paralympic Committee  
NDS WA  
Stan Perron Charitable Foundation  
Minderoo Foundation  
McCusker Charitable Foundation



# Financial Statements

**For the year ended 30 June 2015**

# Company Directory

## MEMBERS OF THE BOARD

<b>Chairperson</b>	Robert McDonald	
<b>Deputy Chairperson</b>	Justin Scanlan	
<b>Company Secretary</b>	Judith Hogben	
<b>Treasurer</b>	Mino Intini	
<b>Directors</b>	Daniel Butler	Janelle Marr
	Priya Cooper	Gary McGrath
	Kellie Hasluck	Glenn Mitchell
	Maria Mansour	Ken Nylander

## OPERATIONS OF THE BOARD

<b>Registered Office</b>	Sir David Brand Centre 106 Bradford Street Coolbinia WA 6050
<b>Postal Address</b>	PO Box 61 Mount Lawley WA 6929
<b>ACN</b>	057 702 959
<b>ABN</b>	79 057 702 959
<b>Telephone</b>	(08) 9443 0211
<b>Facsimile</b>	(08) 9444 7299
<b>Website</b>	<a href="http://www.abilitycentre.com.au">www.abilitycentre.com.au</a>
<b>E-mail</b>	<a href="mailto:info@abilitycentre.com.au">info@abilitycentre.com.au</a>
<b>Auditors</b>	Grant Thornton Audit Pty Ltd PO Box 570 West Perth WA 6872
<b>Solicitors</b>	Lavan Legal GPO Box F338 Perth WA 6841



# DIRECTORS' REPORT

For the year ended 30 June 2015

**The Board of Directors of The Cerebral Palsy Association of Western Australia Limited has pleasure in submitting their report together with the Consolidated Financial Statements for the year ended 30 June 2015 and the auditor's report.**

## DIRECTORS

The names and details of the Directors who held office during the financial year are listed below. Unless indicated otherwise all Directors held this position as a Director throughout the entire financial year and up to the date of this report.

### **Mr Robert McDonald, BBus CPA MAICD** Chairman

Rob McDonald has an adult daughter with cerebral palsy, who has been a client of The Centre since 1994. Rob spent 32 years working in a variety of roles across the State public sector. His positions included Executive Director, WA Police; Chief Executive Officer, State Supply Commission; Director, State Treasury; and Director of Finance, WA Police. Rob started his consulting business in 2009, providing consultancy services in the fields of management, organisational design, business case review, financial and budgetary advice and has completed a number of public sector agency reviews. He is a non-executive Director of Community First International Ltd, Rottnest Island Authority and Chair of the Governing Council for the North Metropolitan Health Service.

### **Mr Justin Scanlan, BBus CPA MAICD** Deputy Chairman

Justin Scanlan is a Partner in PwC Consulting. He has 15 years of management consulting experience across a range of market sectors, including Government, Health, Financial Services and Mining experience. Justin delivers strategy, technology and operational improvement consulting in Western Australia. He has previously worked with clients such as BHP Billiton, Patersons Securities, WA Health, WA Education Department, Department of

Treasury WA, WA Police, Housing Authority and others. Originally from Ireland, Justin and his family came to Australia in 2007. Justin became involved with The Centre through a close personal friend whose son has cerebral palsy. He initially helped with some fundraising activities and was inspired by all the terrific work The Centre does.

### **Mr Mino Intini, BBus** Treasurer

Mino Intini is the Director Regional Programs at the Department of Finance – Building Management and Works. He has held a number of senior positions across the State Public Sector, including Chief Financial Officer for the Department of Child Protection. He has also worked internationally providing advice to the Western Samoan and Australian Governments on matters of foreign aid. Mino's expertise is primarily in the areas of financial management, strategic planning and information management.

### **Mr Dan Butler, BA BCOM LLB** From: 13/10/2014

Daniel Butler is a senior associate in Lavan Legal's Reconstruction, Recovery and Insolvency Team. He is experienced in insolvency and bankruptcy, personal property securities law, criminal property confiscation, intellectual property and general commercial advice and litigation. Daniel has worked on a wide variety of banking litigation and external administration matters with the firm's banking and accounting clients. Daniel has completed the Insolvency Practitioners Association Advanced Insolvency Law and Practice course and has been admitted as a full member of the IPAA.

## DIRECTORS' REPORT

For the year ended 30 June 2015

### Ms Priya Cooper, OAM BSc

Priya Cooper is a 9-time Paralympic Gold medallist, business woman and mother of two. Since retiring from international competition Priya has taken on a role on a number of Boards and runs a successful business in training and development with her husband Rod. The Centre is an organisation close to her heart because her son has cerebral palsy and accesses services at The Centre. Priya aims to use her passion for improving the lives of people with disability across WA to enhance her contribution to The Centre's Board.

### Mr Ian Curlewis, BCom LLB

To: 28/10/2014

Ian Curlewis is a partner with the law firm Lavan Legal. His area of practice is primarily in employment and equal opportunity law. Ian has provided a wide range of advice to various employers in both the public and private sectors about accommodating people with disability in the workplace and compliance with both Federal and State anti-discrimination legislation.

### Ms Kellie Hasluck, BEc

Kellie has provided Western Australian businesses with communications advice for nearly 20 years, 13 as a founder and Director of Clarity Communications, one of Perth's leading corporate communications consultancies. She now provides coaching and mentoring services to executives within major companies in the resources, engineering and financial services and not for profit sectors. Clients benefit from her honest and supportive feedback in order to reach their career and business goals. Kellie is an experienced public relations practitioner undertaking strategic planning, community consultation, media relations, and internal communications for large national and international organisations. Among the clients she has worked with are Telstra, Rio Tinto, European Space Agency and AMP.

### Ms Maria Mansour, LLB (Hons)

From: 28/10/2014

Maria Mansour has been a service user of Ability Centre from an early age and always knew she wanted to use her intellect and "voice" to make a difference in society. In 2007, Maria graduated with a Bachelor of Laws with honors from, and as Valedictorian of, the University of Notre Dame. Maria spent five years working in a private practice law firm focusing on commercial, legal work. She is currently undertaking the role of Senior Project Support Officer for the disability justice centre project, at the Disability Services Commission.

### Ms Janelle Marr, BA MBA GAICD

Janelle Marr is Founder and Managing Director of StepBeyond, a boutique consultancy providing strategic advisory services to corporate, government and not-for-profit organisations across a range of sectors including health and social services; finance and insurance; transport; and energy and resources. With over 15 years experience as a strategist and consultant, Janelle has provided advisory services in Perth, Melbourne and London through the advisory arms of both KPMG and Ernst & Young. Janelle's recent clients include Department of Health, RAC, Richmond Fellowship, Interchange, Activ Foundation, Silver Chain, Women's Health and Family Services, Palliative Care, WA Ballet and People Who Care. A graduate of the Australian Institute of Company Directors, Janelle holds directorships with ScreenWest and Diabetes WA. Past directorships include Mosaic Community Care Inc. and Community Arts Network WA. In 2012 Janelle was awarded a coveted 40under40 WA Business News Award for significant contributions to community. In 2013 StepBeyond won a prestigious WA Telstra Business Award and Janelle was a Finalist in the WA Telstra Business Women's Awards.

### Mr Gary McGrath, BSc MBA ACMA GAICD FLWA

Gary has over 20 years experience in the Global Financial Services industry. Gary currently holds the position of General Manager Local Business Banking at Commonwealth Bank.



## DIRECTORS' REPORT

For the year ended 30 June 2015

The CBA Local Business Banking team focus on securing and enhancing the financial well-being of SME Business customers. Previously, Gary spent 15 years with American Express across Asia in a variety of senior leadership roles including Vice President and Head of Strategy based in Singapore, CFO Asean, CFO India and CFO Indonesia. Gary is a Chartered Management Accountant and holds an MBA from Curtin University.

### Mr Glenn Mitchell,

Glenn Mitchell spent over 21 years as a sports broadcaster with the ABC, covering four Olympic, two Paralympic and four Commonwealth Games. As a senior broadcaster he was a longtime commentator of Test cricket, covering 12 overseas tours. He called over 900 WAFL and AFL football matches. In May 2011, Glenn resigned from the ABC following a mental breakdown. Nowadays, he travels the country presenting suicide prevention talks for the One Life Suicide Prevention Agency. He is also an ambassador for One Life and the Lung Institute of WA. Glenn also freelances in the media, both writing and commentating.

### Mr Ken Nylander, BSC

From: 28/10/2014

Ken Nylander has an adult son, who has been a client of Ability Centre since 1991. Ken retired in 2012 having spent over 40 years working in Federal and State government agencies. He spent the last 25 years working for Western Power and Synergy in a variety of senior management roles including customer advocacy, energy sales, operational management and information technology management. Ken has been involved in the disability field for many years, having served on two occasions for a total of 12 years on the board of Activ Foundation. He was also a founding member of the Pilbara Community Living Association in Port Hedland in 1997. He has also served on committees with Ability Centre, and participated as a parent representative on the DSC review of Ability Centre in 2007/8.

### Ms Jennifer Prior, BA (Primary Ed)

To: 28/10/2014

Jen Prior is the mother of four children. Her twin daughters both have cerebral palsy. Jen has been involved with The Centre since 2008 and is now actively involved as a Parent Representative on the Board. She is passionate in her support of the disability sector, is committed to fundraising and advocates for equality. She is particularly committed to supporting others who are just beginning their journey with cerebral palsy. Jen has a Bachelor of Arts degree (Primary Education) and is completing a Bachelor of Science (Nursing). Before she became a mother Jen taught junior primary for 10 years. More recently she has moved into the public health system with some recent nursing work at Royal Perth Hospital. As a parent of children with cerebral palsy, Jen brings with her the daily experiences of living with cerebral palsy, as well as knowledge from working within both the Education and Health systems of Western Australia.

### Ms Laura Sewell,

To: 28/10/2014

Laura Sewell is an adult with cerebral palsy. Laura has served on The Centre's Adults Services Committee, the Consumer Advisory Forum and Nomination Committee, and finds that there are many rewards from being part of these committees as well as being able to support, represent, advocate and encourage other people with cerebral palsy. Laura is actively involved in many disability sector groups, including Women With Disabilities Inc and DADAA, which caters for disadvantaged and disabled people with an interest in art and drama. She has also been involved in developing and running a holiday program for disabled teenagers and their siblings and has worked on holidays away for disabled adults through the Activ Foundation. Laura has a University Diploma for Teacher Assistants, Diploma in Human Services and a Certificate in Disabilities.

## DIRECTORS' REPORT

For the year ended 30 June 2015

### DIRECTORS MEETINGS

During the year the company held 12 meetings of Directors.  
The attendance of Directors at meetings of the Board were:

NAME	POSSIBLE	ACTUAL	NAME	POSSIBLE	ACTUAL
R McDonald	12	11	M Mansour	8	6
J Scanlan	12	10	J Marr	12	5
M Intini	12	9	G McGrath	12	9
D Butler	8	8	G Mitchell	12	11
P Cooper	12	4	K Nylander	8	6
I Curlewis	4	4	J Prior	4	3
K Hasluck	12	11	L Sewell	4	4

### COMPANY SECRETARY

The position of Company Secretary was held by Judith Hogben, who was also the Chief Executive Officer of the company during the reporting period. Mrs Hogben resigned as Company Secretary and Chief Executive Officer on 31 August 2015.

### PRINCIPAL ACTIVITIES

The principal activities of the Group during the financial year were the provision of accommodation, respite, therapy, employment and related services to children and adults who have cerebral palsy.

### RESULTS

The consolidated operating gain for the financial year was \$3.019M (2014: \$5.307M gain) after charging depreciation and after including non-recurrent capital subsidies of \$4.213M (2014: \$3.966M).

### REVIEW OF OPERATIONS

The company increased revenue during the year as a result of fundraising and government grants. All increased revenue was expended on increasing and improving services.

### SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There were no significant changes in the state of affairs of the company during the financial year not otherwise disclosed in this report.

### SIGNIFICANT EVENTS AFTER BALANCE DATE

Since the end of the financial year the Directors are not aware of any matter or circumstance not otherwise dealt with in this report that has significantly affected or may significantly affect the operations of the company, the results of those operations or the state of affairs of the company in subsequent financial years.

### LIKELY DEVELOPMENTS AND FUTURE RESULTS

The company expects to see a continuation of the provision of services at the current level and costs of providing services to remain within the level of funding made available by governments or initiated by the company.

### AUDITORS INDEPENDENCE DECLARATION

The auditors independence declaration for the year ended 30 June 2015 has been received and can be found after the Statement of Corporate Governance Practices section.



## DIRECTORS' REPORT

For the year ended 30 June 2015

### NON-AUDIT REMUNERATION OF AUDITORS

No fees were paid to the auditors for non-audit services during the year, or in relation to the year.

### DIRECTORS' BENEFITS

Since the end of the previous financial year, no Director has received or become entitled to receive a benefit, other than benefits disclosed in the financial statements, by reason of a contract made by the company or a related body corporate with the Director or with a firm of which he/she is a member, or with a company in which he/she has a substantial interest.

### ENVIRONMENTAL ISSUES

The Company's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory of Australia.

### INDEMNIFYING OFFICERS OR AUDITOR

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of the Company.

### PROCEEDINGS ON BEHALF OF COMPANY

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings. The Company was not a party to any such proceedings during the year.

This declaration has been made after receiving the declarations required to be made to the Directors in accordance with section 295A of the Corporations Act 2001 for the financial period ending 30 June 2015.



**Robert McDonald**

Director (Chairperson)

**15 September 2015**



**Mino Intini**

Director (Treasurer)

**15 September 2015**

# STATEMENT OF CORPORATE GOVERNANCE PRACTICES

For the year ended 30 June 2015

## THE BOARD OF DIRECTORS

The Board of Directors is responsible for setting the strategic direction and establishing the policies of The Cerebral Palsy Association of Western Australia Limited, for overseeing the financial position, and for monitoring the business and affairs on behalf of the Members, by whom the Directors are elected and to whom they are accountable. Responsibility for day to day activities is delegated to the Chief Executive Officer by the Board through a formal memorandum of understanding.

Corporate Governance is a term used to describe the way a board is structured and the way the Directors act to ensure their direction of the company is beyond reproach. The Board keeps its own processes under review and aims to achieve best practice in matters of corporate governance.

The governance role and function of the Board is to:

- act in the best interests of the members of the company, people with cerebral palsy and their families across Western Australia and other key stakeholders;
- provide a strategic and policy framework for the company to operate under;
- work with the Organisation's Executive to develop and maintain an organisational environment focussed on responsiveness to and the achievement of positive outcomes for people with cerebral palsy and others who use the organisation's services;
- ensure financial viability of the company; and
- ensure compliance with all legislative, statutory and contractual duties, obligations, terms and conditions.

The Board of Directors of the company is committed to four core values that guide its thinking and actions and underpin all decision making.

**Respect:** We put people first and respect diversity.

**Integrity:** We are ethical and fair and we deliver what we promise.

**Transparency:** We are open, honest and accountable for everything we do.

**Excellence:** We create, adapt and strive for the very best.

The Board currently comprises twelve non-executive Directors, which includes the Chairperson, Deputy Chairperson and Treasurer, ensuring independence and objectivity. All Directors are required to be Members of the company.

In order to maintain a mix of expertise and representation of the interests of the primary stakeholders, the Articles of Association of the company require that Members of the company elect two Directors who are adults with cerebral palsy, one Director who is the parent/advocate of a child with cerebral palsy and three other Directors. The Articles of Association of the company require that the elected Directors appoint three Directors who are experts from various professional fields considered suitable to the objectives of the company. Directors are appointed to these positions and ratified by company members in a general meeting after calling for expressions of interest through advertisement. The Articles of Association of the company also allow that up to three further Directors may be appointed by the Board for a period of up to twelve months to assist with specifically identified matters.

The Articles of Association of the company ensure a mix of experience and new perspectives by providing for a maximum term of office of six consecutive years or two consecutive terms for elected and appointed Directors. Any Director who wishes to stand for a further term of office must first be recommended by the Nominating Committee and receive the approval of the Board of Directors. Under the Articles of Association of the company the maximum age for Directors is 71 years.

In the event that a potential conflict of interest may arise, involved Directors withdraw from all deliberations concerning the matter. A policy and procedure documents how conflicts of interest are so determined. As well as pecuniary interest being specified in this policy, issues relating to service delivery must be treated as conflicts of interest where the Director has a direct stake in the issue. Specific concerns about services can be addressed through the company's grievance procedure.



# STATEMENT OF CORPORATE GOVERNANCE PRACTICES

For the year ended 30 June 2015

## COMMITTEES OF THE BOARD

The Board has three committees which have been established to consider issues and strategies, within common areas, in order to advise and guide the Board. Ad hoc committees are also established as the need arises. The three established committees comprise a mixture of service users, Directors and staff as appropriate.

### Committee Responsibilities:

#### **Services Committee**

Advises the Board on overall planning and development for all service users services based on evidence-based decision-making processes and comprises Board members and service user representatives. In particular, this committee reviews and oversees all Standards Monitoring Reports.

#### **Finance Committee**

Advises the Board on financial, business and risk management strategy including overview of regular management reporting results, annual budgets and financial statements, resourcing requirements, operational plans, commercial activities and audits.

#### **Governance Committee**

Advises the Board on general governance issues, capacity building, communication strategies, Board and senior management structure and role definition.

## REMUNERATION

Fees paid to Directors are determined each year by the members of the company in a general meeting. Remuneration of the Chief Executive Officer and General Managers is reviewed and approved from time to time by the Board and includes annual performance evaluation. There were no Directors fees paid in the 2014/15 Financial Year.

## AUDIT

The external auditors of the company are appointed each year by the Members in a general meeting. Periodically the Board calls tenders for the audit of the company and specifies the scope and quality of the audit.

An examination of the tenders by the Board results in the recommendation of a properly qualified auditor to Members for the succeeding year.

## ETHICAL STANDARDS AND PERFORMANCE

The Board acknowledges the need for and continued maintenance of the highest standards of corporate governance practice and ethical conduct by all Directors and staff of the company. A Code of Ethics has been adopted and is available to staff of the company. The code is operated in conjunction with a number of complementary policies, including the staff code of conduct.

It is the responsibility of both the Directors and staff to practise and promote the key themes of the Code of Ethics and related policies. These policies safeguard the physical, mental and social well-being of service users of the company and also the integrity of the company. The duties and responsibilities of Directors are specified in a policy which sets out guidance on conflicts of interest, grievances, confidentiality and powers of the Board.



**Robert McDonald**

Director (Chairperson)

**15 September 2015**



**Mino Intini**

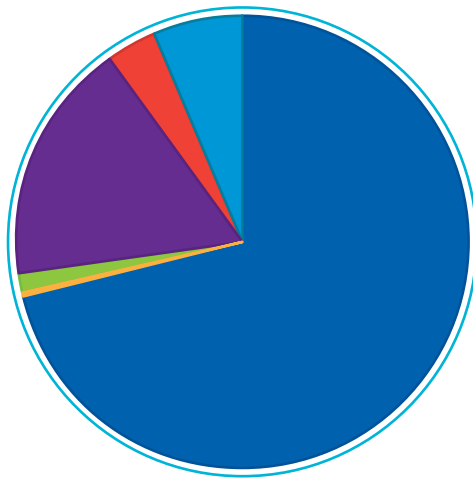
Director (Treasurer)

**15 September 2015**

# TREASURER'S REPORT

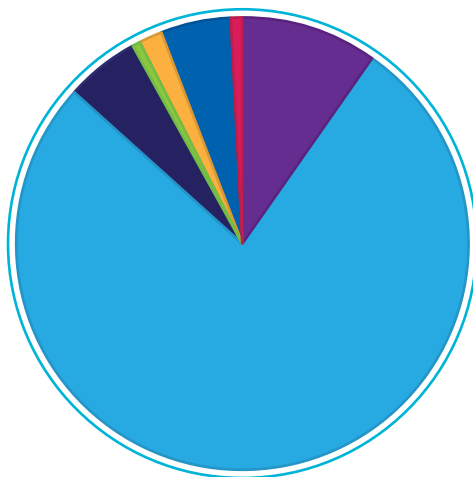
For the year ended 30 June 2015

## Expenditure 2014/15



- Employee Entitlements
- Operating lease
- Maintenance
- Other Operating Expense
- Depreciation
- Cost of sales

## Income for 2014/15



- Sales Revenue
- Operational Grants
- Capital Grants
- Gain on asset disposal
- Fundraising
- Other Income
- Interest

## Financial Snapshot 2014-2015

The major focus for Ability Centre during 2014/15 was to continue our preparation for the roll out of NDIS through both the national trial site in the Hills region and the state trials in the South West and Kwinana/Cockburn. This also included the ongoing redevelopment and renewal costs to assist Ability Centre in meeting the new directions of NDIS.

During this financial year, a considerable amount of effort was undertaken in rebranding the organisation to Ability Centre which has been a remarkable success. There was also a significant project undertaken to fully cost our services to ensure that Ability Centre is a sustainable, viable organisation.

During this financial year there was the successful implementation of stage one of our new service users' management database and other IT related infrastructure. It is again pleasing to report that the organisation continues to hold a strong balance sheet, is able to meet its commitments and is well placed to ensure the financial structure supports a business that is sustainable in a rapidly changing environment. The Board, through its Finance Committee, continues to work with the Executive of Ability Centre to develop financial policies and strategies to support the business

In terms of upgrading our infrastructure we have overseen the continuation of some



# TREASURER'S REPORT

For the year ended 30 June 2015

major capital projects during the year. These included the completion of the Geothermal Air Conditioning Project which involved the installation of HVAC and Pool Heating upgrades utilising geothermal energy systems; the first stage of the Early Intervention refurbishment project; the full refurbishment of two of our shared accommodation properties to meet the needs of new service users; and successfully negotiated lease arrangements of a building in Canning Vale for our Southern Hub. This will be fully fitted out and ready for occupancy in September 2015.

The Board and Ability Centre management also agreed during the financial year to merge with and acquire the assets of Dreamfit. Dreamfit is a not for profit organisation that makes dreams possible for people with disabilities through innovative equipment solutions. Following a due diligence, it was agreed that Dreamfit was a perfect fit for Ability Centre to expand its operations in providing innovative equipment solutions for people with disability.

Ability Centre also continued the Information Technology infrastructure project upgrade project funded by a Lotterywest grant.

The Board continues to exercise caution in avoiding a situation where we have a reliance on debt financing to fund capital infrastructure programs with all of our capital projects being funded by cash.

Turning to 2014/15 financial performance, Ability Centre made a consolidated profit \$3.019M as compared to a previous financial year profit of \$5.307M. The major cause of the decrease in positive movement was the increase in depreciation due to new facilities such as Minderoo Rise, Geothermal air-conditioning and an increase in cost of sales and employee entitlements. Also a reduction in fundraising compared to 2013/14 which benefited from a large one off bequest.

In assessing Ability Centre's Consolidated Profit or Loss in the annual financial statements, it is worth noting depreciation is not funded in the normal accounting sense. Grant funding is used to replace items of plant and equipment, and as a result, an operating loss will always be incurred for such expenditure. However, Ability Centre continues to put some funds aside in reserves for the future funding of depreciated assets.

Ability Centre's continued strong financial position coupled with the solid underpinning work will enable us to move into 2015/16 with confidence.

# AUDITORS INDEPENDENCE DECLARATION

For the year ended 30 June 2015



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W www.grantthornton.com.au

## **Auditor's Independence Declaration To the Directors of The Cerebral Palsy Association of Western Australia Limited**

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the audit of The Cerebral Palsy Association of Western Australia Limited for the year ended 30 June 2015, I declare that, to the best of my knowledge and belief, there have been:

- a no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- b no contraventions of any applicable code of professional conduct in relation to the audit.

GRANT THORNTON AUDIT PTY LTD  
Chartered Accountants

C A Becker  
Partner - Audit & Assurance

Perth, 15 September 2015

Grant Thornton Audit Pty Ltd ACN 130 913 594  
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# STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2015

	Note	Consolidated	
		2015 \$'000	2014 \$'000
Sales revenue – product sales	1(k) & 2(a)	6,033	5,536
Cost of sales	2(b)	(3,816)	(3,043)
<b>Gross Profit</b>		<b>2,217</b>	<b>2,493</b>
Service revenue	1(k) & 2(a)	2,334	2,183
Other revenue	1(k) & 2(a)	51,176	48,955
Administrative expense	2(b)	(48,212)	(44,045)
Other expenses	2(b)	(8,709)	(8,245)
		<b>(3,411)</b>	<b>(1,152)</b>
<b>Operating gain (loss) from ordinary activities before capital subsidies and income tax</b>		<b>(1,194)</b>	<b>1,341</b>
Capital grants and subsidies	1(l) & 2(a)	4,213	3,966
<b>Operating gain/(loss) from ordinary activities before income tax</b>		<b>3,019</b>	<b>5,307</b>
Income tax expense	1(c)	-	-
<b>Gain/(Loss) for the year</b>		<b>3,019</b>	<b>5,307</b>
<b>Other comprehensive income; net of tax</b>			
Revaluation of land and buildings		-	-
<b>Total comprehensive income for the year</b>		<b>3,019</b>	<b>5,307</b>
<b>Transfers (to)/from reserves</b>		<b>(3,900)</b>	<b>3,479</b>
<b>Net movement in retained earnings</b>		<b>(881)</b>	<b>8,786</b>

The Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

# STATEMENT OF FINANCIAL POSITION

For the year ended 30 June 2015

		Consolidated	
	Note	2015 \$'000	2014 \$'000
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	1(b) & 13	19,282	14,981
Trade receivables	3	2,003	2,028
Inventories	1(e) & 4	1,059	961
Other current assets		134	153
<b>Total current assets</b>		<b>22,478</b>	<b>18,123</b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	1(f) & 5	41,533	40,287
Intangible assets	1(g) & 6	240	204
Other financial assets	1(m) & 7	42	42
<b>Total non-current assets</b>		<b>41,815</b>	<b>40,533</b>
<b>TOTAL ASSETS</b>		<b>64,293</b>	<b>58,656</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade payables	8	949	1,722
Provision for employee benefits	1(i) & 10	6,687	6,272
Other current liabilities	11	4,764	2,130
<b>Total current liabilities</b>		<b>12,400</b>	<b>10,124</b>
<b>Non-Current Liabilities</b>			
Provision for employee benefits	1(i) & 10	1,696	1,354
<b>Total non-current liabilities</b>		<b>1,696</b>	<b>1,354</b>
<b>TOTAL LIABILITIES</b>		<b>14,096</b>	<b>11,478</b>
<b>NET ASSETS</b>		<b>50,197</b>	<b>47,178</b>
<b>EQUITY</b>			
Retained profits	12(a)	16,531	17,412
Asset revaluation reserve	12(b)	21,966	21,966
Special purpose reserve	12(c)	11,700	7,800
<b>TOTAL EQUITY</b>		<b>50,197</b>	<b>47,178</b>

The Statement of Financial Position should be read in conjunction with the accompanying notes.

## STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2015

Consolidated	Note	Asset Revaluation Reserve \$'000	Special Purpose Reserve \$'000	Retained Earnings \$'000	Total Equity \$'000
<b>Balance at 1 July 2013</b>	12	21,966	11,279	8,626	41,871
Profit / (Loss) for the period		-	-	5,307	5,307
<b>Other comprehensive income</b>		-	-	-	-
Total comprehensive income		-	-	5,307	5,307
Revaluation increment		-	-	-	-
Net transfers to/ (from) reserves		-	(3,479)	3,479	-
<b>Balance at 30 June 2014</b>	12	<b>21,966</b>	<b>7,800</b>	<b>17,412</b>	<b>47,178</b>
<b>Balance at 1 July 2014</b>	12	21,966	7,800	17,412	47,178
Profit / (Loss) for the period		-	-	3,019	3,019
Other comprehensive income		-	-	-	-
Total comprehensive income		-	-	3,019	3,019
Revaluation increment		-	-	-	-
Net transfers to/ (from) reserves		-	3,900	(3,900)	-
<b>Balance at 30 June 2015</b>	12	<b>21,966</b>	<b>11,700</b>	<b>16,531</b>	<b>50,197</b>

The Statement of Changes in Equity should be read in conjunction with the accompanying notes.



# STATEMENT OF CASH FLOWS

For the year ended 30 June 2015

		Consolidated	
	Note	2015 \$'000	2014 \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Payments</b>			
Employee benefits	1(i)&(j)	(44,474)	(40,092)
Supplies and services		(13,984)	(13,304)
GST payments on purchases	1(d)	(1,354)	(2,047)
GST payments to taxation authority	1(d)	(4,968)	(4,040)
<b>Receipts</b>			
User charges and fees		8,252	7,407
Grants and subsidies		55,298	48,019
Fundraising		1,059	3,328
Interest received		593	678
GST receipts on sales	1(d)	6,368	6,487
GST receipts from taxation authority	1(d)	114	334
Other receipts		546	475
<b>Net cash provided by operating activities</b>		<b>7,450</b>	<b>7,245</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of property, plant and equipment		(4,075)	(9,704)
Proceeds from disposal of property, plant and equipment		926	889
<b>Net cash (used in) investing activities</b>		<b>(3,149)</b>	<b>(8,815)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>4,301</b>	<b>(1,570)</b>
Cash and cash equivalents at beginning of the period		14,981	16,551
<b>Cash and cash equivalents at the end of the period</b>	13	<b>19,282</b>	<b>14,981</b>

The Statement of Cash Flows should be read in conjunction with the accompanying notes.

## DIRECTORS DECLARATION

For the year ended 30 June 2015

The Directors declare that the financial statements and notes:

- (a) comply with the Accounting Standards and Corporations Regulations 2001;
- (b) gives a true and fair view of The Cerebral Palsy Association of Western Australia Limited as at 30 June 2015 and of the performance for the period 1 July 2014 to 30 June 2015 ; and
- (c) comply with Australian Accounting Standards – Reduced Disclosure Requirements (including the Australian Accounting Interpretations) and the Corporations Regulations 2001.

In the Directors opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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



**Robert McDonald**

Director (Chairperson)



**Mino Intini**

Director (Treasurer)

Dated at Perth this 15th day of September 2015

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2015

## 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

### Basis of preparation

The financial report has been prepared as a general purpose financial report in accordance with the requirements of Australian Accounting Standards – Reduced Disclosure Requirement (including Australian Accounting Interpretations), and other mandatory professional reporting requirements (Urgent Issues Groups Consensus Views).

The Cerebral Palsy Association of Western Australia Limited is incorporated under the Corporations Act 2001. The Cerebral Palsy Association of Western Australia Limited is a company limited by guarantee.

The financial report of The Cerebral Palsy Association of Western Australia Limited complies with all Australian equivalents to International Financial Reporting Standards (AIFRS) in their entirety as well as the requirements of the Australian Charities and Not-For-Profit Commission Act 2012.

The Cerebral Palsy Association of Western Australia Limited is a not-for-profit entity for the purpose of preparing financial statements.

The following is a summary of the material accounting policies adopted by the economic entity in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

The financial statements have been prepared on an accruals basis and are based on historical costs modified by the revaluation of selected non-current assets and financial instruments for which the fair value basis of accounting has been applied.

The financial statements were authorised for issue by the directors on 15 September 2015.

### (a) Principles of consolidation

The consolidated financial statements include the financial statements of the parent entity, The Cerebral Palsy Association of Western Australia Limited, and its controlled entities, The Cerebral Palsy Foundation,

The Cerebral Palsy Development Trust, Cerebral Palsy Innovation Institute Pty Ltd and The Trustee for the Cerebral Palsy Innovation Institute. These entities are referred to throughout these financial statements as the “Consolidated” entity.

All inter-company balances and transactions including donations between entities in the consolidated entity, including any unrealised profits or losses, have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistencies with those policies applied by the parent entity.

The Board of Directors of The Cerebral Palsy Association of Western Australia Limited has resolved that, whilst the issue of control is not entirely clear, The Cerebral Palsy Foundation, The Cerebral Palsy Development Trust, Cerebral Palsy Innovation Institute Pty Ltd, The Trustee for the Cerebral Palsy Innovation Institute and The Cerebral Palsy Association of Western Australia Limited share common goals and outcomes. The Board decided that, in the interests of providing full and open information to members, the Financial Accounts would be prepared on a consolidated basis.

### (b) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short term borrowings in current liabilities in the statement of financial position.

### (c) Income Tax

Under the provisions of the current income tax legislation, The Cerebral Palsy Association of Western Australia Limited and controlled entities are exempt from income tax. The Cerebral Palsy Association of Western Australia Limited is registered for the Goods and Services Tax, is endorsed as an Income Tax Exempt Charity and as a Deductible Gift Recipient.



# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2015

## 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Basis of preparation (Continued)

#### (d) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the Balance Sheet are shown inclusive of GST.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to the taxation authority.

#### (e) Inventories

Inventories relating are measured at the lower of cost and net realisable value. The cost of manufactured products relating to CP Tech includes direct materials, direct labour and an appropriate portion of variable and fixed overheads. Overheads are applied on the basis of normal operating capacity. Costs are assigned on the basis of weighted average costs. The cost of products relating to Goodwill Engineering are assigned on the basis of standard costing.

#### (f) Property, plant and equipment

##### Property

The Company's land and buildings is stated at re-valued amounts. Re-valued amounts are fair market values based on appraisals prepared by external professional valuers (m3 Property Strategists) as at 30 June 2012.

Any revaluation surplus arising upon appraisal of land and buildings is credited to the revaluation reserve in equity. To the extent that any revaluation decrease or impairment loss has previously been recognised in profit or loss, a revaluation increase is credited to profit or loss with the remaining part of the increase credited to the revaluation reserve.

Downward revaluations of land and buildings are recognised upon appraisal or impairment testing, with the decrease being charged to any revaluation surplus in equity relating to this asset and any remaining decrease recognised in profit or loss. Any revaluation surplus remaining in equity on disposal of the asset is transferred to retained earnings.

As no finite useful life for land can be determined, related carrying amounts are not depreciated.

##### Plant and Equipment

Plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation or impairment losses.

The carrying amount of plant and equipment is reviewed annually by Directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

The cost of fixed assets constructed within the economic entity includes the cost of materials, direct labour, borrowing costs and an appropriate portion of fixed and variable overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the items will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Increase in the carrying amount arising on revaluation of land and buildings are credited to a revaluation reserve in equity. Decreases that offset previous increases of the same asset are charged against fair value reserves directly in equity;

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2015

all other decreases are charged to the income statement. Each year the difference between depreciation based on the revalued carrying amount of the asset charged to the statement of profit or loss and other comprehensive income and depreciation based on the asset's original cost is transferred from the revaluation reserve to retained earnings.

## **Depreciation**

The depreciable amount of all fixed assets including building and capitalised lease assets, but excluding freehold land, is depreciated on a straight line basis over their useful lives to the consolidated entity commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The expected useful life for each class of property, plant and equipment are:

Buildings	40 years
Leasehold improvements	5 years
Plant and equipment	5 to 10 years
Motor vehicles	3 to 10 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are determined by comparing proceeds with the carrying amount. These gains and losses are included in the income statement. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

## **(g) Intangible Assets**

### **Capitalisation/Expensing of Assets**

Acquisitions of intangible assets of \$5,000 or more and internally generated intangible assets costing \$10,000 or more are capitalised. The cost of utilising the asset is expensed (amortised) over their useful life. Costs incurred of less than \$5,000 are immediately expensed to the statement of profit or loss and other comprehensive income.

All acquired intangible assets are initially measured at cost. For assets acquired at no cost or for nominal cost, cost is their fair value at date of acquisition. The cost model is applied for subsequent measurement requiring the asset to be carried at cost less any accumulated amortisation and accumulated impairment losses.

### **Amortisation of Intangible Assets**

Amortisation of intangible assets with finite useful lives is calculated for the period of the expected benefit (estimated useful life) on the straight line basis using rates which are reviewed annually. All intangible assets controlled by the company have a finite life and zero residual value. The expected useful life for each class of intangible assets are:

**Licences** up to 10 years

Licences have a finite useful life and are carried at cost less accumulated amortisation and accumulated impairment losses.

**Software** 3 to 5 years

Software that is an integral part of the related hardware is treated as property, plant and equipment. Software that is not an integral part of the related hardware is treated as an intangible asset. Software costing less than \$5,000 is expensed in the year of acquisition.

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2015

## 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Basis of preparation (Continued)

#### (g) Intangible Assets (Continued)

**Web Site Costs**                      3 to 5 years

Web site costs are charged as expenses when they are incurred unless they relate to the acquisition or development of an asset when they may be capitalised and amortised. Generally, costs in relation to feasibility studies during the planning phase of a web site, and ongoing cost of maintenance during the planning phase are expensed. Costs incurred in building or enhancing a web site, to the extent that they represent probable future economic benefits that can be reliably measured, are capitalised.

#### (h) Operating Leases

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor are charged as expenses in the periods in which they are incurred.

#### (i) Employee Benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

#### (j) Superannuation

The company maintained one superannuation scheme during the year covering substantially all of its employees. The company had a legal obligation to contribute to the scheme as follows.

#### HESTA Superannuation Fund

A "defined contribution accumulation" fund administered by National Mutual and used to meet Award and Superannuation Guarantee obligations. (Employer 9.5% to 30 June 2015: employee – nil although voluntary employee contributions can be made.) Where an employee has been continuously employed with the employer for more than 10 years, the employer will contribute an additional 1% superannuation above the employer's compulsory superannuation guarantee obligations. Where an employee has been continuously employed with the employer for more than 15 years, the employer will contribute an additional 2% superannuation above the employer's compulsory superannuation guarantee obligations.

#### (k) Revenue

Revenue from the sale of goods is recognised upon the delivery of goods to customers. Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets. Revenue from investment properties is recognised on an accrual basis or straight-line basis in accordance with lease agreements. Revenue from the rendering of a service is recognised on the delivery of the service to the customers.

Fundraising receipts are recognised as income in the year in which the income is received. Bequests and other donations in kind are recognised as income in the Income Statement in the year in which they are received and on the basis of their estimated market value.

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

#### (l) Government Grants

Government grants are recognised at fair value where there is reasonable assurance that the grant will be received and all grant conditions will be met. Grants relating to capital and expense items are recognised as income over the periods necessary to match the grant to the costs they are compensating.



# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2015

## (m) Financial Instruments

### Recognition

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

### Financial assets at fair value through profit and loss

A financial asset is classified in this category if acquired principally for the purpose of settling in the short term or if so designated by management and within the requirements of AASB 139: Recognition and Measurement of Financial Instruments.

### Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

### Held-to-maturity investments

These investments have fixed maturities, and it is the group's intention to hold these investments to maturity. Any held-to-maturity investments held by the group are stated at amortised cost using the effective interest rate method.

### Available-for-sale financial assets

Available-for-sale financial assets include any financial assets not included in the above categories. Available-for-sale financial assets are reflected at fair value. Unrealised gains and losses arising from changes in fair value are taken directly to equity.

### Financial liabilities

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

## (n) Foreign currency transactions

The company purchases steel from foreign companies. Payments are made by International Bank Transfers through the Commonwealth Bank of Australia and are converted at the exchange rate at the date of each transaction.

## (o) Comparative Figures

Comparative figures have been adjusted to conform to changes in presentation for the current financial year.

## (p) Joint Ventures

The company has entered into several joint venture arrangements with the State Government to develop new community housing facilities. As part of the joint ventures, the company contributed the land and the State Government undertook the construction and development of the site. In accordance with AASB 131 *Interests in Joint Ventures*, the company has capitalised its proportion of the equity in the land and building accordingly.

## (q) New and amended standards adopted by the Company in this financial report

A number of new or amended standards became applicable for the current reporting period, however, the Company did not have to change its accounting policies or make retrospective adjustments as a result of adopting these standards. Information on these new standards which are relevant to the Company is presented below.

AASB 2012-3 Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities

AASB 2012-3 adds application guidance to AASB 132 to address inconsistencies identified in applying some of the offsetting criteria of AASB 132, including clarifying the meaning of “currently has a legally enforceable right of set-off” and that some gross settlement systems may be considered equivalent to net settlement.

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2015

## 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Basis of preparation (Continued)

#### (q) New and amended standards adopted by the Company in this financial report (Continued)

AASB 2012-3 is applicable to annual reporting periods beginning on or after 1 January 2014 and has been adopted in this financial report. The adoption of these amendments has not had a material impact on the Group as the amendments merely clarify the existing requirements in AASB 132.

#### AASB 2013-3 Amendments to AASB 136 – Recoverable Amount Disclosures for Non-Financial Assets

These narrow-scope amendments address disclosure of information about the recoverable amount of impaired assets if that amount is based on fair value less costs of disposal.

When developing IFRS 13 Fair Value Measurement, the IASB decided to amend IAS 36 Impairment of Assets to require disclosures about the recoverable amount of impaired assets. The IASB noticed however that some of the amendments made in introducing those requirements resulted in the requirement being more broadly applicable than the IASB had intended. These amendments to IAS 36 therefore clarify the IASB's original intention that the scope of those disclosures is limited to the recoverable amount of impaired assets that is based on fair value less costs of disposal.

AASB 2013-3 makes the equivalent amendments to AASB 136 Impairment of Assets and is applicable to annual reporting periods beginning on or after 1 January 2014. The adoption of these amendments in this financial report has not had a material impact on the Group as they are largely of the nature of clarification of existing requirements.

#### AASB 2014-1 Amendments to Australian Accounting Standards (Part A: Annual Improvements 2010-2012 and 2011-2013 Cycles)

Part A of AASB 2014-1 makes amendments

to various Australian Accounting Standards arising from the issuance by the IASB of International Financial Reporting Standards Annual Improvements to IFRSs 2010-2012 Cycle and Annual Improvements to IFRSs 2011-2013 Cycle.

Among other improvements, the amendments arising from Annual Improvements to IFRSs 2010-2012 Cycle: clarify that the definition of a 'related party' includes a management entity that provides key management personnel services to the reporting entity (either directly or through a group entity) amend AASB 8 Operating Segments to explicitly require the disclosure of judgements made by management in applying the aggregation criteria.

Among other improvements, the amendments arising from Annual Improvements to IFRSs 2011-2013 Cycle clarify that an entity should assess whether an acquired property is an investment property under AASB 140 Investment Property and perform a separate assessment under AASB 3 Business Combinations to determine whether the acquisition of the investment property constitutes a business combination.

Part A of AASB 2014-1 is applicable to annual reporting periods beginning on or after 1 July 2014. The adoption of these amendments has not had a material impact on the Company as they are largely of the nature of clarification of existing requirements.

#### (r) Impact of standards issued but not yet applied by the Company

New and revised accounting standards and amendments that are currently issued for future reporting periods that are relevant to the Company include:

#### AASB 9 Financial Instruments

AASB 9 introduces new requirements for the classification and measurement of financial assets and liabilities. These requirements improve and simplify the approach for classification and measurement of financial assets compared with the requirements of AASB 139.

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2015

The effective date is for annual reporting periods beginning on or after 1 January 2018.

The entity is yet to undertake a detailed assessment of the impact of AASB 9. However, based on the entity's preliminary assessment, the Standard is not expected to have any material impact on the transactions and balances recognised in the financial statements when it is first adopted for the year ending 30 June 2019.

## AASB 14 Regulatory Deferral Accounts

AASB 14 permits first-time adopters of Australian Accounting Standards who conduct rate-regulated activities to continue to account for amounts related to rate regulation in accordance with their previous GAAP. Accordingly, an entity that applies AASB 14 may continue to apply its previous GAAP accounting policies for the recognition, measurement, impairment and derecognition of its regulatory deferral account balances. This exemption is not available to entities who already apply Australian Accounting Standards.

The effective date is for annual reporting periods beginning on or after 1 January 2016.

When AASB 14 becomes effective for the first time for the year ending 30 June 2017, it will not have any impact on the entity.

## AASB 15 Revenue from Contracts with Customers

AASB 15 replaces AASB 118: Revenue, AASB 111 Construction Contracts and some revenue-related Interpretations. In summary, AASB 15:

- establishes a new revenue recognition model;

- changes the basis for deciding whether revenue is to be recognised over time at a point in time;

- provides a new and more detailed guidance on specific topics (eg multiple element arrangements, variable pricing, rights of return and warranties); and

- expands and improves disclosures about revenue.

The entity is yet to undertake a detailed assessment of the impact of AASB 15. However, based on the entity's preliminary

assessment, the Standard is not expected to have a material impact on the transactions and balances recognised in the financial statements when it is first adopted for the year ending 30 June 2018.

## AASB 2014-3 Amendments to Australian Accounting Standards – Accounting for Acquisitions of Interests in Joint Operations

This amendment impacts on the use of AASB 11 when acquiring an interest in a joint operation.

The effective date is for annual reporting periods beginning on or after 1 January 2016.

When these amendments are first adopted for the year ending 30 June 2017, there will be no material impact on the transactions and balances recognised in the financial statements.

## AASB 2014-4 Amendments to Australian Accounting Standards – Clarification of Acceptable Methods of Depreciation and Amortisation

The amendments to AASB 116 prohibit the use of a revenue-based depreciation method for property, plant and equipment. Additionally, the amendments provide guidance in the application of the diminishing balance method for property, plant and equipment.

The effective date is for annual reporting periods beginning on or after 1 January 2016.

When these amendments are first adopted for the year ending 30 June 2017, there will be no material impact on the transactions and balances recognised in the financial statements.

## AASB 2014-9 Amendments to Australian Accounting Standards – Equity Method in Separate Financial Statements

The amendments introduce the equity method of accounting as one of the options to account for an entity's investments in subsidiaries, joint ventures and associates in the entity's separate financial statements.



# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2015

## 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Basis of preparation (Continued)

#### (r) Impact of standards issued but not yet applied by the Company (Continued)

The effective date is for annual reporting periods beginning on or after 1 January 2016.

When these amendments are first adopted for the year ending 30 June 2017, there will be no material impact on the financial statements.

AASB 2014-10 Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The amendments address a current inconsistency between AASB 10 Consolidated Financial Statements and AASB 128 Investments in Associates and Joint Ventures (2011). The amendments clarify that, on a sale or contribution of assets to a joint venture or associate or on a loss of control when joint control or significant influence is retained in a transaction involving an associate or a joint venture, any gain or loss recognised will depend on whether the assets or subsidiary constitute a business, as defined in AASB 3 Business Combinations. Full gain or loss is recognised when the assets or subsidiary constitute a business, whereas gain or loss attributable to other investors' interests is recognised when the assets or subsidiary do not constitute a business.

The effective date is for annual reporting periods beginning on or after 1 January 2016.

When these amendments are first adopted for the year ending 30 June 2017, there will be no material impact on the financial statements.

The company does not anticipate early adoption of any of the above Australian Accounting Standards.

#### (s) Reserves

Other components of equity include the following:

##### Asset Revaluation Reserve

The Asset Revaluation Reserve is used to record the increments and decrements in the value of non-current assets.

##### Special Purpose Reserve

The Special Purpose Reserve contains amounts of retained profits set aside for the purpose of funding specific projects and specific purpose fundraising where the funds will be expended in future periods.

#### (t) Significant management judgement in applying accounting policies

When preparing the financial statements, management undertakes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

##### Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

##### *Useful lives of depreciable assets*

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical obsolescence that may change the utility of certain software and information technology and communication technology equipment.

##### *Inventories*

Management estimates the net realisable values of inventories, taking into account the most reliable evidence available at each reporting date. The future realisation of these inventories may be affected by future technology or other market-driven changes that may reduce future selling prices.

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2015

## Long Service Leave

The liability for long service leave is recognised and measured at the present value of the estimated cash flows to be made in respect of all employees at the reporting date. In determining the present value of the

liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account. During the year the probability method has been used in calculating the non-current long service leave liability.

	Consolidated	
	2015 \$'000	2014 \$'000
<b>2. INCOME AND EXPENSE ITEMS</b>		
<b>(a) Income</b>		
Operating gain is after crediting the following income:		
<b>Sales revenues:</b>		
Product sales	6,033	5,536
Service revenue	2,334	2,183
<b>Total sales revenue</b>	<b>8,367</b>	<b>7,719</b>
<b>Other revenues:</b>		
Operational grants	48,611	44,108
Capital grants and subsidies	4,213	3,966
Gain on disposal of assets	316	272
Fundraising	1,071	3,347
Other income	587	524
Interest from unrelated parties	591	704
<b>Total other revenues</b>	<b>55,389</b>	<b>52,921</b>
<b>TOTAL INCOME</b>	<b>63,756</b>	<b>60,640</b>

## (b) Expense

Operating gain is after charging the following expenses:

<b>Administrative Expenses</b>		
Employee entitlements	45,365	41,151
Operating lease rentals	357	228
Maintenance	2,490	2,666
<b>Total administrative expenses</b>	<b>48,212</b>	<b>44,045</b>
<b>Depreciation and Amortisation</b>		
Depreciation of buildings	828	697
Depreciation of motor vehicles	1,035	827
Depreciation of plant and equipment	308	217
Amortisation of intangible assets	12	19
<b>Total depreciation and amortisation</b>	<b>2,183</b>	<b>1,760</b>

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2015

	Consolidated	
	2015 \$'000	2014 \$'000
<b>2. INCOME AND EXPENSE ITEMS (Continued)</b>		
<b>(b) Expense (continued)</b>		
<b>Bad Debts</b>		
Bad debts written off	10	36
Net charge to provision for doubtful debts	1	(15)
<b>Total bad and doubtful debts expense</b>	<b>11</b>	<b>21</b>
<b>Cost of sales</b>		
Cost of goods sold	3,816	3,043
<b>Total cost of goods sold</b>	<b>3,816</b>	<b>3,043</b>
<b>Other Expenses</b>		
Other operating expenses	6,515	6,464
<b>Total other expenses</b>	<b>6,515</b>	<b>6,464</b>
<b>TOTAL EXPENSES</b>	<b>60,737</b>	<b>55,333</b>
<b>3. TRADE RECEIVABLES</b>		
Trade debtors	1,643	1,092
Less provision for doubtful debts	(38)	(37)
	1,605	1,055
GST Taxation receivable	132	195
Interest receivable	28	38
Accrued income	238	740
	398	973
<b>Total trade receivables</b>	<b>2,003</b>	<b>2,028</b>
<b>4. INVENTORIES</b>		
Raw materials and stores at cost	740	676
Work in progress, at cost	150	137
Finished goods, at cost	169	148
<b>Total inventories</b>	<b>1,059</b>	<b>961</b>



# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2015

	Consolidated	
	2015 \$'000	2014 \$'000
<b>5. PROPERTY, PLANT AND EQUIPMENT</b>		
<b>Freehold land, at independent valuations</b>		
Opening balance	17,729	17,729
Revaluations	-	-
Closing balance	<b>17,729</b>	<b>17,729</b>
<b>Buildings at independent valuations</b>		
Opening balance	11,144	9,255
Additions	7,809	1,889
Disposals	-	-
Revaluations	-	-
Closing balance	18,953	11,144
<i>Accumulated depreciation: -</i>		
Opening balance	(1,350)	(653)
Additions	(828)	(697)
Disposals	-	-
Revaluations	-	-
Closing balance	(2,178)	(1,350)
Net buildings before work in progress	16,775	9,794
Work in progress	275	7,284
<b>Net buildings</b>	<b>17,050</b>	<b>17,078</b>
<b>Plant and equipment at cost</b>		
Opening balance	5,141	4,623
Additions	1,605	1,042
Disposals	-	(524)
Transfer between asset classes	-	-
Closing balance	6,746	5,141
<i>Accumulated depreciation: -</i>		
Opening balance	(3,303)	(3,598)
Additions	(308)	(217)
Disposals	-	512
Transfer between asset classes	-	-
Closing balance	(3,611)	(3,303)
Net plant and equipment before work in progress	3,135	1,838
Work in progress	455	878
<b>Net plant and equipment</b>	<b>3,590</b>	<b>2,716</b>

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2015

	Consolidated	
	2015 \$'000	2014 \$'000
<b>5. PROPERTY, PLANT AND EQUIPMENT (continued)</b>		
Motor vehicles at cost		
Opening balance	5,065	4,488
Additions	2,045	2,310
Disposals	(1,943)	(1,733)
Transfer between asset classes	-	-
Closing balance	5,167	5,065
Accumulated depreciation: -		
Opening balance	(2,301)	(2,591)
Additions	(1,035)	(827)
Disposals	1,333	1,117
Transfer between asset classes	-	-
Closing balance	(2,003)	(2,301)
Net motor vehicles before work in progress	3,164	2,764
Work in progress	-	-
<b>Net motor vehicles</b>	<b>3,164</b>	<b>2,764</b>
<b>Total property, plant and equipment</b>	<b>41,533</b>	<b>40,287</b>

The Group's land and buildings were re-valued on 30 June 2012 by independent valuers (m3 Property Strategists). The previous re-valuation was undertaken at 30 June 2004. Fair values were estimated based on recent market transactions, which were then adjusted for specific conditions relating to the land and buildings.

All depreciation is included within "depreciation and amortisation".

## 6. INTANGIBLE ASSETS

<b>Computer software at cost</b>		
Opening balance	327	220
Additions	-	107
Closing balance	327	327
<i>Accumulated amortisation: -</i>		
Opening balance	(200)	(181)
Additions	(12)	(19)
Closing balance	(212)	(200)
Net intangible assets before work in progress	115	127
Work in progress	125	77
<b>Net intangible assets</b>	<b>240</b>	<b>204</b>

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2015

	Consolidated	
	2015 \$'000	2014 \$'000
<b>7. OTHER FINANCIAL ASSETS</b>		
Listed Australian Shares	42	42
<b>Total other financial assets</b>	<b>42</b>	<b>42</b>

## 8. TRADE PAYABLES

Trade creditors	722	1,557
Taxation payable	227	165
<b>Total payables</b>	<b>949</b>	<b>1,722</b>

## 9. COMMITMENTS

<b>Operating leases: -</b>		
Due within one year	75	91
Due within one to two years	-	75
Due within two to five years	-	-
	75	166
<b>Lease rental expense included in the determination of the operating loss</b>	<b>141</b>	<b>168</b>

The lease commitments are non-cancellable operating leases with lease terms between one and three years.

## 10. PROVISIONS FOR EMPLOYEE BENEFITS

<b>Current</b>		
Annual leave	3,646	3,358
Long service leave	2,394	2,298
Employee On Costs	647	616
<b>Total current provisions</b>	<b>6,687</b>	<b>6,272</b>
<b>Non-current</b>		
Long service leave	1,532	1,221
Employee On Costs	164	133
<b>Total non-current provisions</b>	<b>1,696</b>	<b>1,354</b>
<b>Total Provisions</b>	<b>8,383</b>	<b>7,626</b>



# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2015

	Consolidated	
	2015 \$'000	2014 \$'000
<b>11. OTHER CURRENT LIABILITIES</b>		
Bonds held in trust	1	27
Accrued expenses	1,007	699
Income received in advance	3,121	688
Other liabilities	635	716
<b>Total other current liabilities</b>	<b>4,764</b>	<b>2,130</b>

## 12. EQUITY

### (a) Retained Profits

Opening balance	17,412	8,626
Net profit	3,019	5,307
Transfers (to)/from reserves	(3,900)	3,479
<b>Closing balance</b>	<b>16,531</b>	<b>17,412</b>

### (b) Asset Revaluation Reserve

The Asset Revaluation Reserve is used to record the increments and decrements in the value of non-current assets.

Opening balance	21,966	21,966
Revaluation increment of land / buildings	-	-
<b>Closing balance</b>	<b>21,966</b>	<b>21,966</b>

### (c) Special Purpose Reserve

The Special Purpose Reserve contains amounts of retained profits set aside for the purpose of funding specific projects and specific purpose fundraising where the funds will be expended in future periods.

Opening balance	7,800	11,279
Transfer from retained profits	10,983	6,841
Transfer to retained profits	(7,083)	(10,320)
Net transfers	3,900	(3,479)
<b>Closing balance</b>	<b>11,700</b>	<b>7,800</b>

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2015

	Consolidated	
	2015	2014
	\$'000	\$'000
<b>13. CASH AND CASH EQUIVALENTS</b>		
Cash on hand	6	6
Cash at bank	1,740	1,274
Cash investments	17,536	13,701
	<b>19,282</b>	<b>14,981</b>

Call deposits with banks are paying interest at current bank deposit rates.

At year end the average rate was 1.75% (2014 – 2.25%).

## 14. CONTINGENT LIABILITIES

Under the terms of various Commonwealth Government capital grants provided to the Company, the Commonwealth Government is entitled to a refund of the grant in the event of the disposal of the asset to which the grant relates, or it is entitled to an equity interest in the associated asset, and accordingly would be entitled to its equity in the proceeds in the event of sale of the asset.

Therefore, there exists a contingent liability to the Commonwealth Government, which may become an actual liability if any assets in which the Commonwealth Government has an interest were sold.

The company has three separate 50 year agreements with the Housing Authority in relation to the construction of new accommodation at Scott Street, Wandoo Road and McDonald Street with a total value of \$2,224,709. This contingent liability will reduce annually over the 50 years agreement and will only be payable on breaches of the terms of the agreements.

The company has a \$200,000 credit card facility, with credit cards being issued to senior officers.

## 15. CONTINGENT ASSET

The company has no known contingent assets as at 30 June 2015.

## 16. ECONOMIC DEPENDENCY

The company receives significant grants from the State and Federal Governments in Australia. If these grants were not received, the company would find it difficult to maintain the current level of services.

## 17. CONTROLLED ENTITIES

The consolidated financial statements at the reporting date include the following controlled entities. The financial years of all controlled entities are the same as that of the parent entity.

Name of controlled entity	Place of incorporation/ formation	% of ownership FY 2015	% of ownership FY 2014
The Cerebral Palsy Foundation	Australia	100%	100%
The Cerebral Palsy Development Trust	Australia	100%	100%
Cerebral Palsy Innovation Institute Pty Ltd	Australia	100%	100%
The Trustee for Cerebral Palsy Innovation Institute	Australia	100%	100%

Refer to Note 1(a) for basis of consolidation.

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2015

## 18. RELATED PARTIES

### (a) Directors

The names of the persons who were Directors of this Company at all times during the past two years are:

Mr R McDonald	Mr M Intini	Mr J Scanlan	Ms P Cooper	Mr G Mitchell
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The names of the persons who were Directors of this Company for some part of the past two years are:

Mr K Chapman	Mr C Robinson	Ms J Prior	Mr I Curlewis
Ms L Sewell	Dr P Chauvel	Ms K Hasluck	Ms J Marr
Mr G McGrath	Ms M Mansour	Mr K Nylander	Mr D Butler

### (b) Director Transactions

Director related entities conduct transactions with the company within a normal customer or supplier relationship on terms and conditions no more favourable than those which it is reasonable to expect the company would have adopted if dealing with the Director at arms length in similar circumstances.

These transactions have been quantified below where the transactions are considered likely to be of interest to users of these financial statements.

### (c) Transactions with Related Parties

The Cerebral Palsy Foundation is a Trust Fund established for the benefit of The Cerebral Palsy Association of Western Australia Limited, and to be used by it in accordance with objects and powers under its Memorandum and Articles of Association for the provision by The Cerebral Palsy Association of Western Australia Limited of services, aids and appliances for persons with cerebral palsy (Section B of The Cerebral Palsy Foundation Trust Deed).

During the year the company donated the proceeds of specific bequest revenue amounting to \$Nil. (2014 - \$2,319,773) to the Foundation.

The Cerebral Palsy Development Trust is a Trust Fund established for the benefit of the Cerebral Palsy Association of Western Australia Limited and to be used by it in accordance with the objects and powers under its Memorandum and Articles of Association for the provision by The Cerebral Palsy Association of Western Australia Limited of services, equipment and any initiative to benefit people with cerebral palsy (Clause 4.2 of The Cerebral Palsy Development Trust, Trust Deed). During the year the company received a \$423,000 distribution from the Trust (2014 - \$124,000).

During the year the company donated the proceeds of specific commercial revenue amounting to \$10,000. (2014 - \$Nil) to the Trust. The company paid \$15,238 (2014 - \$35,858) to the Trust for the rental of trust properties.



# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2015

## (d) Transactions with Key Management Personnel

Key management of the Company are the members of The Cerebral Palsy Association of Western Australia Limited's Board of Directors, Chief Executive Officer and General Managers. There were no Directors fees paid in the 2014/15 Financial Year. Key Management Personnel remuneration includes the following expenses:

	2015 \$'000	2014 \$'000
Total Key Management Personnel remuneration	1,576	1,035

## 19. PARENT ENTITY INFORMATION

Information relating to the Cerebral Palsy Association of Western Australia Limited ('the parent entity')

	2015 \$'000	2014 \$'000
<b>Statement of financial position</b>		
Current assets	16,798	12,203
Total assets	57,770	51,872
Current liabilities	12,399	10,124
Total liabilities	14,095	11,478
Retained earnings	10,768	11,386
<b>Statement of comprehensive income</b>		
Gain/(Loss) for the year	3,281	2,930
Other comprehensive income	-	-
Total comprehensive (loss)	3,281	2,930

The parent entity has not entered into a deed of cross guarantee nor are there any contingent liabilities at year end.

## 20. POST REPORTING DATE EVENTS

No adjusting or significant non-adjusting events have occurred between the reporting date and the date of authorisation.

# INDEPENDENT AUDITOR'S REPORT

For the year ended 30 June 2015



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## **Independent Auditor's Report To the Members of Cerebral Palsy Association of Western Australia Limited**

We have audited the accompanying financial report of The Cerebral Palsy Association of Western Australia Limited (the 'Association'), which comprises the consolidated statement of financial position as at 30 June 2015, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the consolidated entity comprising the Company and the entities it controlled at the year's end or from time to time during the financial year.

### **Directors' responsibility for the financial report**

The Directors of the Association are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards - Reduced Disclosure Requirements, the Corporations Act 2001 and the Australian Charities and Not-for-Profits Commission Act 2012. The Directors' responsibility also includes such internal control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

### **Auditor's responsibility**

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require us to 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.

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# INDEPENDENT AUDITOR'S REPORT

For the year ended 30 June 2015



**Grant Thornton**

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 Association'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 Association's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial report.

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

## **Independence**

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

## **Auditor's opinion**

In our opinion:

- a the financial report of Cerebral Palsy Association of Western Australia is in accordance with the Corporations Act 2001 and the Australian Charities and Not-for-Profits Commission Act 2012, including:
  - (i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2015 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1; and
  - (ii) complying with Australian Accounting Standards- Reduced Disclosure Requirements and the Corporations Regulations 2001.

*Grant Thornton*

GRANT THORNTON AUDIT PTY LTD  
Chartered Accountants

*C A Becker*

C A Becker  
Partner - Audit & Assurance

Perth, 15 September 2015







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