



## Annual Report 2013/14

the centre for  
**cerebral**  **palsy**

celebrating potential, creating possibilities



## **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

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# Chairman and CEO's Report



The last year has been one of significant growth and change for The Centre for Cerebral Palsy (The Centre). From the repositioning of our organisation, to the redevelopment of our facilities, The Centre has undergone remarkable transformation and laid the foundations for a bright and exciting future ahead.

The year began amongst anticipation of the impending National Disability Insurance Scheme (NDIS), which was officially announced by the Prime Minister and Premier at our very own Goodwill Engineering site early in 2014. The announcement of a dual trialling of the NDIS and the My Way Program heralded the beginning of a new and exciting era for people with disability and their families. The Centre has always been a strong supporter of a nationally consistent scheme that retains state control, and which gives the individual the freedom to choose the supports that work for them.

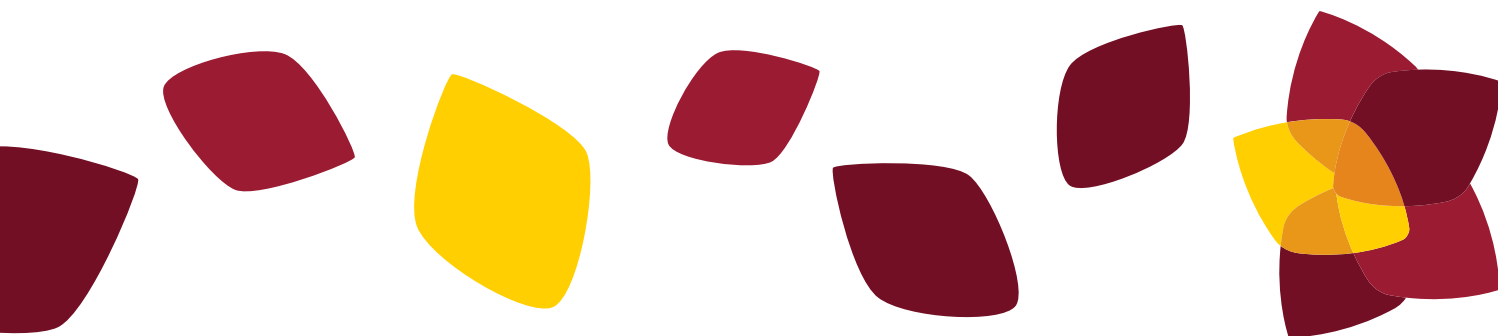
The trial site of the NDIS was established in the Perth Hills area, alongside trial sites for the state's My Way program in the Lower South West region and Cockburn/Kwinana regions. Trialling and evaluating both My Way and NDIS will be crucial to ensuring the final scheme is

built on strong foundations and key lessons are learnt and taken from both trials. We look forward to this decision resulting in the best possible way to deliver better outcomes to people with disability and their families.

As the NDIA's reform agenda starts to shift the environment to provide more opportunities and greater choice to service users and their families, The Centre must respond to this change to survive and more importantly thrive in the long term. Preparing The Centre's operations for future success has been a key driver of our future business development and service improvement activities and formed the basis of our recently launched *Strategic Directions 2014-17*.

Our *Strategic Directions 2014-17* maps out how we will continue to celebrate the possibilities and achieve the dreams of people with disability and their families over the next three to four years. It restates our commitment to: 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.

# Chairman and CEO's Report



In the past year, The Centre's significant growth has been reflected in the hive of building activity right across Perth to ensure that our service users and staff are not only provided with the best services and supports, but the best in location, design and flexibility. The opening of our state-of-the-art therapy hub at Currambine earlier this year marked the beginning of The Centre's regional service delivery model. The Centre is currently exploring options to expand into other areas around Perth to service the wider community.

This year we brought to a close one of the biggest fundraising campaigns The Centre has ever seen, *The Welcome Home campaign*, supporting both the redevelopment of CP Tech and Cassia Lifestyle Village. The Centre is and remains very grateful to our supporters, who with the State Government made the redevelopments possible. After outgrowing its original premises, CP Tech's customer service centre has moved into the recently refurbished Brian North House. This modern, purpose-built facility is now the home for continuing CP Tech's outstanding clinical assessment and fitting practices. The Malaga workshop remains the landmark home of progressive design and equipment fabrication and modification.

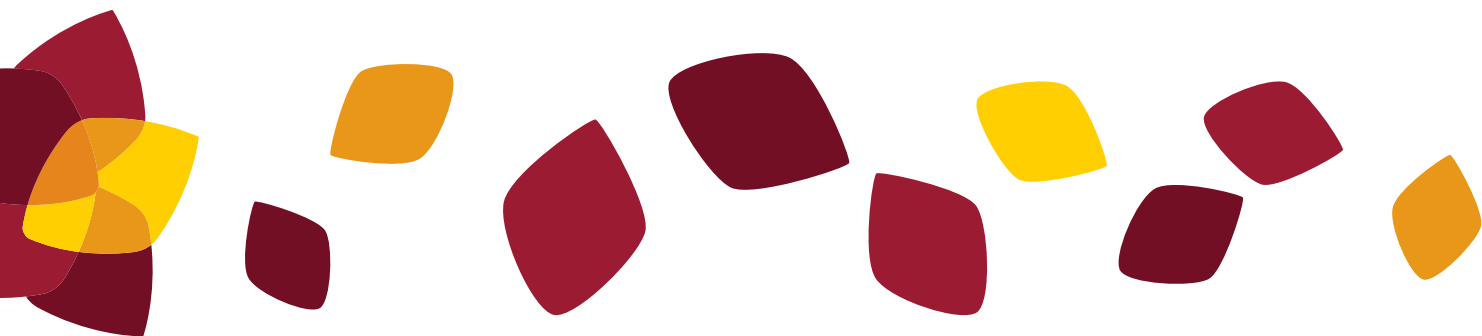
Building infrastructure for our service users is of paramount importance and 2013-14 saw the re-opening of the Cassia Lifestyle Village, now known as Minderoo Rise. This was an important milestone for The Centre with the service users moving into the five new houses now having a place to call their home. Minderoo Rise provides the best accommodation possible for our service users.

One of our biggest undertakings of the past year was the tendering of our new service contracts with the Western Australian Government. Based on our new service options, and preparing for a NDIS, the successful tenders will mean individuals and families alike will receive better, more flexible access to our services.

These tenders represent a significant change in disability service provision in Western Australia, and our success throughout the process places The Centre in a strong position to strengthen and grow our services into the future.

Another indication of how far we have come was evident when the Disability Services Commission stated in their 2012/2013 Annual Report that The Centre is now the highest funded disability services provider in the state.

# Chairman and CEO's Report



This is a direct result of our continued pursuit of improvement and expansion and positions us at the forefront of the disability services sector.

Throughout the year, The Centre was privileged to host some important guests to our facilities including Prime Minister Tony Abbott, Premier Colin Barnett and the then Governor General Quentin Bryce. Each of these visits gave further recognition to how far The Centre has grown to become a leader in the disability services sector and across the wider community.

With deep gratitude we acknowledge the ongoing 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.

We acknowledge our Board of Directors and in particular our outgoing Chairman Keith Chapman, for their stewardship and commitment to the good governance and success of the organisation.

We thank them for their outstanding efforts and contributions in volunteering their experience and expertise in ensuring The Centre's longevity.

To our staff, we extend sincere appreciation for your ardent commitment to improving the lives of so many living with disability. Your passion, commitment and drive to achieve service excellence is truly inspiring.

The future leads to an exciting direction as we prepare to enter an era of greater certainty and outcomes for all people living with disability.



**Rob McDonald**  
**Chairman**



**Judy Hogben**  
**Chief Executive Officer**



# Celebrating Potential, Creating Possibilities

The Centre provides services and support to over 1,700 people living with disability and their families throughout Western Australia. Since 1951, The Centre has forged an enviable reputation as one of the leading disability service providers and advocates in our state.

Our services and staff are mobile, reaching out into the wider Perth community via our Central and Northern Hub locations and across regional WA through our Country Resources Program.

We are an inclusive organisation, and challenge any barrier that prevents us from advancing the independence, productivity and overall quality of life for people with disability in the community.



# Our Directors



**Mr Robert McDonald**

B Bus, CPA, MAICD

**Chair**

Rob has spent 32 years working in a variety of different 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, in the areas of public sector management and associated areas. He is also Chair of the Governing Council for the North Metropolitan Health Service and Director of Rottnest Island Authority. Rob's association with The Centre began in 1994 when his first child began receiving services.



**Mr Ian Curlewis**

B Com, LLB

**Deputy Chair**

Ian 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 employers in both the public and private sectors about accommodating people with disabilities in the workplace and compliance with both Federal and State anti-discrimination legislation.



**Mr Mino Intini**

B Bus (Accounting)

**Treasurer**

Mino 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.



# Our Directors



**Ms Priya Cooper OAM**

BSc (Health Promotion),  
BA(Journalism)

Priya 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. The Centre for Cerebral Palsy is an organisation close to her heart because her son has cerebral palsy and accesses services at The Centre.



**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 long-time commentator of Test cricket and WAFL and AFL. Following a mental breakdown in 2011, Glenn resigned from the ABC and now travels the country presenting suicide prevention talks for the One Life Suicide Prevention Agency. Glenn also freelances in the media, both writing and commentating.



**Ms Jennifer Prior**

BA (Primary Ed)

Jen has been involved with The Centre since 2008 and is actively involved as a parent representative on the Board. Jen spent ten years as a primary school teacher and is now working as a nurse at Princess Margaret Hospital whilst completing a Bachelor of Science (Nursing). As a parent of two 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.

# Our Directors



**Mr Justin Scanlan**

MSc, BBS, MMII,  
Member Institute of Chartered  
Accountants Australia

Justin Scanlan is a Partner in PwC Consulting. He has 16 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 and Asia, and became involved with The Centre through a close personal connection. Justin is also a Director of the Australian Chapter of The Funding Network, a crowd funding organisation for social enterprises.



**Ms Laura Sewell**

As an adult with cerebral palsy, Laura has served on The Centre's Adults Services Committee, the Consumer Advisory Forum and Nomination Committee, in an effort to support, represent, advocate and encourage other people with cerebral palsy. Laura has a University Diploma for Teacher Assistants, Diploma in Human Services and a Certificate in Disabilities. Laura currently works as an Education Assistant (Special Needs).



**Ms Kellie Hasluck**

BEC Dip Bus

Kellie has provided Western Australian businesses with communications advice for nearly 20 years, 13 as a founder and Director of Clarity Communications. She now provides coaching and mentoring services to executives within major companies in the resources, engineering and financial services and not for profit sectors. Kellie is an experienced public relations practitioner undertaking strategic planning, community consultation, media relations, and internal communications for large national and international organisations.

# Our Directors



**Ms Janelle Marr**  
GAICD, MBA, BA

Janelle 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.



**Mr Gary McGrath**  
MBA, BSC, GCMA, 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. 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.



**Judy Hogben**  
BA(Hons); MBA GAICD  
**Chief Executive Officer**

Judy has over 30 years of experience in human service delivery, working with seniors, people with disability and their families, children and young people. Having worked in Government, non-government and in business in senior executive roles, Judy brings an extensive range of skills and experiences to her role as Chief Executive Officer.

Under Judy's leadership, The Centre is reshaping its services to be more community based and responsive to individual and family needs.

# Our Executive



(Left to Right)

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

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

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

**Judy Hogben;** Chief Executive Officer

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

**Phil Pitchers;** General Manager, Employment Services

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

# Our Achievements

In addressing the critical issues likely to impact the organisation over the next three years, The 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:

- 1. Putting People First**
- 2. Growing through Change**
- 3. Leading from the Front**

Following are our achievements under each of these key objectives across 2013-2014











# Putting People First

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

## **Introducing Your Way - a better way to delivering services**

One of The Centre's undeniable strengths is its commitment to supporting service users with high quality Therapy and Health Services. The *Your Way* initiative highlights The Centre's ability to strategically respond to the new disability service environment by focusing on delivering services aimed at promoting greater freedom and greater choice for our service users.

The person-centred planning approach to service delivery has been emphasised to ensure that people living with disability have access to the same high quality services, yet have a greater degree of control over planning and use of their allocated resources. The Centre's team can draw from WA's widest range of disability services and build a customised package of supports that suit each individual's needs.

## **Expanding our reach into the Community**

The Centre's goal of providing services in Perth's northern region from a strategically located therapy centre was realised in early 2014 with the opening of the new northern hub. This modern and purpose-built hub located in Currambine ensures The Centre is well placed to expand its reach and increase its capacity to support service users in the north from the therapy centre itself, in people's homes, local schools and community venues.

The Centre is now working to find a suitable location for a southern regional office. With a satellite office already established at Rockingham Lotterywest House, The Centre will utilise the two locations to effectively deliver greater coverage throughout the south metropolitan region.

# Putting People First

## Keeping Safe Program - Respecting the Rights and Needs of People with Disability

The Centre's commitment to providing services in an environment where personal safety is paramount has led to the introduction of the *Keeping Safe* program. This new initiative, funded by the Department of the Attorney General via the Criminal Property Grants Administration Program, aims to empower individuals and their families by cementing a culture of personal safety awareness, reporting and ongoing education.

The project, in partnership with Protective Behaviours WA, is the first of its kind in Australia and focuses on embedding the core concepts of personal safety in the daily lives of adults with complex disabilities who reside in supported accommodation. The Centre is represented on a national level as an industry leader in this endeavour.

## Minderoo Rise opens its doors

The Centre for Cerebral Palsy welcomes the opening of Minderoo Rise, a shared living complex overlooking the Yokine Reserve.

Twenty five residents have moved into the first class facility, located on the site of the demolished Cassia House, an institutional style building that was never intended to become a permanent home.

The five new community homes provide greater choice, control and flexibility for people living with disability and enable them to live in a contemporary lifestyle village with strong connections to the surrounding community.

The modern and functional homes boast state of the art features including climate controlled bedrooms, motorised window furnishings, accessible food preparation areas and personal courtyards. To encourage socialisation, the villas are linked via easily accessible paths and shaded alfresco gardens. The large outdoor areas facilitate celebrations to mark special milestones of the individuals and their families.





**The Centre for Cerebral Palsy is excited to announce the completion of the Welcome Home Campaign, the single largest fundraising campaign undertaken by The Centre.**

This achievement wouldn't have been possible without the generosity and support of hundreds of West Australians, in particular the McCusker Charitable Foundation, Stan Perron Charitable Trust, Minderoo Foundation, Mineral Resources and Coopers Brewery.

The Welcome Home Campaign has opened new doors and created new opportunities for countless West Australians living with disability. Through the redevelopment and expansion of CP Tech, and the construction of new accommodation at Minderoo Rise, The Centre has drastically improved these two vital services and enhanced the quality of lives for people that access them.









# Growing through Change

**Pursuing growth across the organisation through new opportunities whilst maintaining excellence in existing services**

## **Benchmarking with Ability First Australia**

Ability First Australia engaged The Centre to participate in a comprehensive benchmarking exercise that compared The Centre's therapy services activity with the performance of other major service providers across Australia, including Novita (SA), CP League (QLD) and Rocky Bay (WA).

This benchmarking comparison highlighted The Centre's outstanding performance against the other national therapy service providers. This exercise provided an interesting opportunity to learn from the experience of providers in NDIS trial states, as to the trends identified in types and duration of therapy services accessed by individuals.

## **CP Tech Reaches New Heights**

The newly redeveloped Brian North House has been officially opened in what marks the completion of an exciting growth chapter for CP Tech. The Centre is committed now more than ever to providing access to specialised equipment and technology enabling people with disability to gain greater freedom and participate in previously unfeasible activities.

The facility was redesigned and extended to include a family lounge, universal access bathrooms, undercover car bays and most importantly, three new clinic rooms to increase the services offered and facilitate more freedom, mobility, opportunity and choice to people of all ages.

Service users have reported their increased satisfaction in the level of comfort and the enriched experience at CP Tech due to larger and reinvigorated facilities.

By offering clinical services at Brian North House, and fabrication and modification services at the Malaga Workshop, CP Tech now has the space and resources available to continue to provide an exceptional world-class service.

# Growing through Change

**Thank you to the runners and walkers of Perth who**

**collectively raised a record \$34,121 for The Centre as part**

**of the 2014 HBF Run for a Reason. This represents a 2274%**

**increase on the previous year's efforts. Kade North was The**

**Centre's highest fundraiser, raising over \$10,000.**

## Engaging the Perth Community

Over the past 12 months, The Centre introduced new campaigns, and launched new fundraising and corporate strategies to expand its community presence. These successful initiatives have added value, diversity and additional income streams to the organisation, resulting in a record \$3.6 million income for the organisation.

The Centre continued to receive support from across the community, with many events growing in popularity. The Centre was invited to participate in the Walk for an Aussie Kid, a major fundraising effort of the Australian Lions Children's Mobility Foundation. The community event celebrating ability and awareness of children with disability raised \$3,000 to go towards the purchase of walkers.

The Centre also secured a significant partnership with Rocky Bay to host the WA branch of the Dick Smith Walk With Me Event incorporating an exciting corporate challenge, targeting both the public and corporate sector.

This increase in event activity highlights The Centre's increasing profile in the community and its achievement in becoming a charity of choice in community and corporate events.









# Growing through Change

## Engaging new Corporate Support

The development of a new sponsorship strategy in 2014 has leveraged The Centre's reputation as a provider of outstanding networking opportunities to encourage sponsorships built on a strong value proposition and with a successful and reputable brand that is highly regarded in the community.

The Old Brewery joined The Centre as Official Venue Partner, providing the perfect location to launch The Centre's Corporate Lunch Series. Off the back of the first event, new sponsors The West Australian, NOVA Entertainment, Margaria Cleaning Group and OAMPS have joined The Centre and extended their support across a range of areas.

Strengthening the corporate sponsorship strategy was a new community partnership with The Fremantle Dockers as well as the ongoing support of local businesses including Scarborough Toyota and the Commonwealth Bank.

The Centre would like to thank all of its corporate and community partners for their ongoing support in 2013-2014.





**Thanks to the unwavering generosity of Toybox International and their supporters, The Centre has helped enrich the lives of many children through the provision of leading mobility devices.**

Funds donated by Toybox International supporters have facilitated the purchase of 15 WalkAides, two Sparky paediatric power chairs and one Q610 paediatric power chair.

The devices have provided critical development opportunities for children with a range of needs and disabilities, who now have the opportunity to participate in previously unfeasible activities safely, comfortably and stylishly.

This incredible donation has had an enormous impact on the lives of the young recipients and their families.









# Leading from the Front

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

## **Unprecedented Investment in Information Communication & Technology**

The last twelve months have seen The Centre invest in one of its most significant ICT upgrades in recent years, introducing new technology to give the organisation an edge in a rapidly changing environment. New infrastructure at both the Coolbinia and Malaga locations have included management servers, uninterrupted power supplies, a backup tape library and associated software. These upgrades are complementary to the ongoing rollout of a new storage area network, email service upgrade, web content filtering and wide area network performance optimisation.

This investment in improving and expanding The Centre's capacity to deliver services through technology places the organisation in an enviable position and ready to adapt to the changes ahead, brought on by an NDIS.

## **Create Employment**

Create Employment, The Centre's Disability Employment Network Provider, is constantly striving for a workforce that reflects the full diversity of the community it serves. Over the past year, Create Employment has consistently demonstrated this outstanding service through strong performance against the Disability Employment Service Star Rating System, resulting in the maintenance of its 5-Star Rating.

This achievement can be attributed to a focused commitment to support and assist jobseekers to achieve their employment goals and dedicating process to meet labour market needs through the development of a skilled and diverse workforce.

# Leading from the Front

## It's time to Connect with The Centre

Driven by The Centre's commitment to provide services in regional and isolated areas, the Country Resources Program (CRP) channelled DSC funding into a unique program that enables remote service users to access specialist therapists at The Centre's central hub from their location.

CentreConnect will support local Western Australian Country Health Services (WACHS) therapists and service users based in regional settings, to connect with The Centre's thirteen specialist therapists in Perth through the provision of virtual clinic sessions via Telehealth. The relevant Senior Therapist and Clinical Specialist will attend the virtual clinic in The Centre's facility and link with the local therapist and services user.

To assist in the capacity building of regional therapists, the same therapists will also support local therapists' professional development by providing CentreConnect PD.






## Focusing on Research

Title	Aims	Benefits to those who use The Centre's services
Effects of the WalkAide® on Children with Spastic Hemiplegia.	To investigate the effects of the WalkAide® in children with spastic hemiplegia and establish recommendations for its use.	Participants in the study have improved their walking and running.
Management of sleep in children with disability.	To describe the sleep problems of children with disability in the Sleep Solutions clinic.	Users of the Sleep Solutions clinic benefit by receiving services from clinicians who are better informed about a wider range of sleep issues.
Respiratory symptoms in children and young adults with cerebral palsy.	To measure rates of respiratory symptoms in children and young adults with cerebral palsy and related hospitalisations.	May enable earlier intervention for at risk children, saving lives and improving quality of life.
Growing solid Aboriginal communities and children with disabilities in Kalgoorlie: a service delivery model.	To investigate the needs of Aboriginal families caring for a child with a disability in the Goldfields region to improve service access and supports for the Aboriginal community.	Direct service benefits to families of children in the Kalgoorlie area who use TCCP services.
Evaluation of the WizzyBug for young children.	To investigate the effects of the WizzyBug on young children.	This project has allowed children who would not otherwise have the opportunity, to trial the WizzyBug. The Centre now has a fleet of WizzyBugs that can be accessed by users.
Now You're Talking: Intensive Support for Augmentative and Alternative Communication (AAC) users.	To improve communicative competency, frequency and efficiency of AAC use, and the skills and confidence of AAC users by providing additional support for AAC users.	Direct and immediate benefits to 24 service users in the program, establishment of an AAC mentor system for support of new AAC users in the future.
A running training and lifestyle program for children with cerebral palsy.	To establish and evaluate a running training program for children with cerebral palsy with running goals.	The project is expected to improve running in 60 service users.

## Focusing on Research


Benefits to The Centre's clinical services	Benefits to humanity
30 WalkAides® to the value of \$200,000 have been donated by Orthopaedic Appliances (OAPL) and Toybox International. These devices are now used for clinical services and on loan to users.	Clinical study provides an understanding of how to improve walking in children with hemiplegic cerebral palsy.
Systematic description of needs of children consulting the Sleep Solutions team ensures that the service can be tailored to meet those needs and needs of future service users.	This study will provide valuable unprecedented insight into sleep problems in children with disability.
Continued work will evaluate whether a checklist of risk factors can be used to determine at risk individuals and to guide management options.	This study provides previously unknown information on prevalence of respiratory symptoms in young people with cerebral palsy.
The Country Resource Program will have better evidence on which to base its work, and strengthened partnerships with services and the Aboriginal community in the Kalgoorlie area.	Development of a service provision model that can be used by other service providers working in the Kalgoorlie area, and that may be trialled in the future in other remote communities.
The project expanded the range of powered mobility options offered by CP Tech. Toybox International has generously donated 20 Wizzybugs.	This study confirmed that the Wizzybug can support the benefits of early powered mobility in previously inaccessible environments whilst encouraging development and independence. In addition, the research showed that the Wizzybug met the needs of parents and users in being aesthetically pleasing and easily transportable.
Project provides increased intensive therapy support for AAC users not available within current funding model.	Project will provide information about what support is needed to ensure that AAC users integrate AAC use into their daily activities.
17 physiotherapists have received training to train running in children with cerebral palsy, and this information has already translated into clinical practice.	Development of a running training programme for children with cerebral palsy that can be used in centres worldwide.





Upon a review, it was recommended that Goodwill Engineering introduce 'Lean Manufacturing', a method that required an updated workshop layout and process flow, and advancement in cutting and bending technology.

In 2013, after years of planning, and with assistance through the Commonwealth Enterprise Connect Program, Goodwill Engineering extended the workshop floor space to develop and house a new facility for CP Tech.



Following the increase in floor space, Goodwill Engineering purchased a Laser Cutter and a CNC Press Brake. This equipment is state of the art technology in the field of precision profile cutting of metal and accurate repetitive bending of steel components.

The transition to lean manufacturing ensures that Goodwill Engineering will be able to keep pace with industry and expand on its capacity and capability. More importantly, these developments will provide security of employment and enhanced involvement of supported employees in the operation of this new machinery and the associated processes.



# the centre for cerebral palsy



## Sponsors

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## Community Partners

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## Media Partners

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# **FINANCIAL STATEMENTS**

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# Director's Report

## FOR THE YEAR ENDED 30 JUNE 2014

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 2014 and the auditor's report.

### DIRECTORS

The names and details of the Directors who held office throughout the financial year and up to the date of this report are listed on page 6. Directors who held a position as a Director during the financial year but did not see out the term of the year are listed below.

#### **Mr Keith Chapman**

RFD LLB CPA

**To: 31/10/2013**

Keith is the Principal Registrar of the Supreme Court and a Magistrate. His adult daughter has cerebral palsy and therefore Keith has been closely involved with the work of The Centre for many years. He has served on the Board of the Disability Services Commission, on the Ministerial Advisory Council and as President of the Guardianship and Administration Board. During 2012-13 Keith was also Vice President and Treasurer of Cerebral Palsy Australia.

#### **Dr Peter Chauvel**

MB BS(Sydney), MPH (Johns Hopkins),

FAFRM, FRACP

**To: 23/09/2013**

Peter is a Consultant Paediatrician who has been involved with the treatment and management of children with cerebral palsy for over 35 years. He introduced the research and treatment program for botulinum toxin treatment of cerebral palsy in WA and was involved with the original research in lycra splinting now widely used by The Centre.

From 2002 to 2009, Peter was Director of Cerebral Palsy Mobility Service at PMH. He now conducts a private practice in developmental paediatrics in Fremantle.

#### **Carrick Robinson**

**To: 31/10/2013**

Carrick Robinson has had a 25 year career in Marketing and Communications, advising many of Australasia's leading brands in WA, NSW and New Zealand. He is now a small business owner with interests in Motor Vehicle Accessories, Coffee Franchising and Property Development. Carrick is also currently a board member of Anglicare WA and a frequent speaker on the business of Marketing Communications.

# Director's Report

## FOR THE YEAR ENDED 30 JUNE 2014

### DIRECTORS MEETINGS

During the year the company held 10 meetings of Directors. The attendance of Directors at meetings of the Board were:

NAME	POSSIBLE	ACTUAL
R McDonald	10	8
I Curlewis	10	9
M Intini	10	8
K Chapman*	5	3
P Chauvel*	3	3
P Cooper	10	7
K Hasluck	5	5
J Marr	2	2
G McGrath	1	1
G Mitchell	10	5
J Prior	10	6
C Robinson*	4	2
J Scanlan	10	9
L Sewell	10	10

\* These Directors' term on the Board expired prior to the end of the 2013/14 Financial Year.

### 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.

### 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 \$5.307M (2013: \$8.759M gain) after charging depreciation and after including non-recurrent capital subsidies of \$3.966M (2013: \$7.142M).

### 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.

# Director's Report

## FOR THE YEAR ENDED 30 JUNE 2014

### AUDITORS INDEPENDENCE DECLARATION

The auditors independence declaration for the year ended 30 June 2014 has been received and can be found after the Statement of Corporate Governance Practices section.

### 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 2014.



Robert McDonald  
**Director (Chairperson)**  
16 September 2014



Mino Intini  
**Director (Treasurer)**  
16 September 2014



# Statement of Corporate Governance Practices

## FOR THE YEAR ENDED 30 JUNE 2014

### 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.

In 2009/2010, the Board developed and endorsed *A Charter for the Board of Directors of The Cerebral Palsy Association of Western Australia Ltd* as a public declaration of its understanding and acceptance of its role and responsibilities on behalf of the organisation's owners and stakeholders.

The Board of Directors has a number of measures that assist with the exercise of its governance of the company. These include:

#### Performance Evaluation

Annual Board Performance Evaluation carried out by Directors and senior staff.

#### Governance Committee

Reports to Board and works to terms of reference that include a governance plan for each year to review reporting against high level indicators of the service and financial health of the company.

# Statement of Corporate Governance Practices

## FOR THE YEAR ENDED 30 JUNE 2014

### THE BOARD OF DIRECTORS(CONTINUED)

#### *Finance Committee*

Reports to Board and works to terms of reference covering the financial, human resource, business and risk strategies and operations for the company.

#### *Services Committee*

Reports to Board and works to terms of reference covering the service operations and strategies for the company.

#### *Chief Executive Officer*

Reports to Board and is responsible for the operations of the company.

#### *Service Improvement*

A framework for reviews of all service areas, audits of key processes and the development of recommendations for improvement and ongoing service quality indicators. Reports to Chief Executive Officer and Services Committee.

#### *Complaints*

Complaints and customer feedback from Complaints Resolution process.

#### *Surveys*

Satisfaction surveys of service users and staff.

#### *Disability Standards*

Internal and external monitoring of performance against State and Commonwealth disability support standards.

#### *Mandatory Reporting*

Summaries of mandatory reports to Disability Services Commission regarding serious client incidents.

#### *Financial Audit*

External independent audit of financial operations and position.

#### *Quality Assurance:*

External audits of compliance with International Standards of quality for Goodwill Engineering and CP Tech.

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.



# Statement of Corporate Governance Practices

## FOR THE YEAR ENDED 30 JUNE 2014

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.

### 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.

### 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.

# Statement of Corporate Governance Practices

## FOR THE YEAR ENDED 30 JUNE 2014

### ETHICAL STANDARDS AND PERFORMANCE (CONTINUED)

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)**

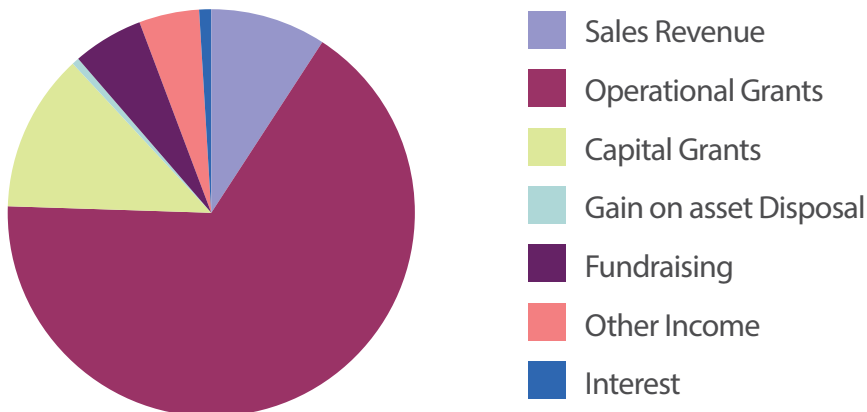
16 September 2014



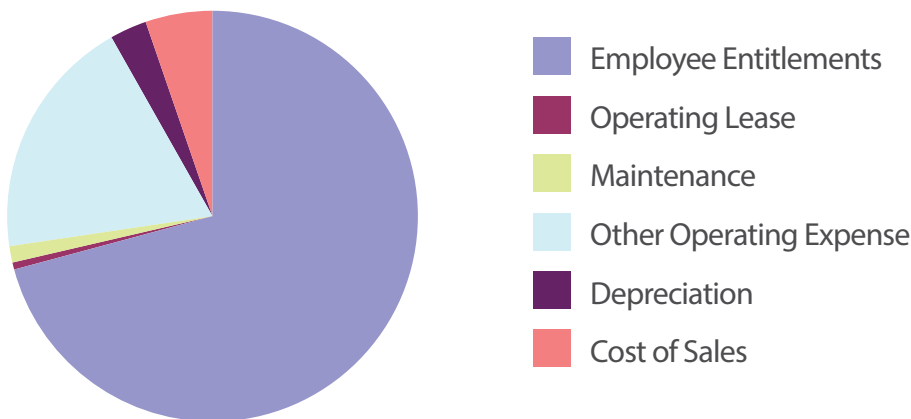
Mino Intini  
**Director (Treasurer)**

16 September 2014

## Income for 2013/14



## Expenditure for 2013/14



### FINANCIAL SNAPSHOT 2013-2014

In anticipation of an impending NDIS, The Centre has been preparing for the change in the future landscape of funding support in the disability services sector. Part of the organisation's strategy in meeting this challenge includes the regionalisation of its services, and upgrading The Centre's infrastructure and equipment. Within the context of this changing landscape, it is 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 The Centre to develop financial policies and strategies to support the business.

Investing in infrastructure is a priority of The Centre, and has facilitated the completion of large capital projects throughout the year, including the upgrade of the Goodwill Engineering workshops and the redevelopment and expansion of CP Tech. The construction of new accommodation at Minderoo Rise now houses twenty five service users in five contemporary, purpose built community homes.



# Treasurer's Report

## FOR THE YEAR ENDED 30 JUNE 2014

### FINANCIAL SNAPSHOT 2013-2014 (CONTINUED)

The opening of Currambine hub marks the beginning of The Centre's regional service delivery model. The modern, fully equipped facility will support 30 staff and extend The Centre's services to the northern region, giving service users greater access to the therapy program.

Investment in equipment expected to lower The Centre's cost base includes installation of a new laser cutter at Goodwill Engineering. The laser cutter will enable the organisation's manufacturing centre to access exciting new market opportunities, thereby strengthening Goodwill Engineering's business model. The Centre also invested in a Geothermal Heat Exchange (GHVAC) system, a centralised open loop geothermal system designed to provide heating and cooling to the Sir David Brand site including the pool, to provide future savings in energy expenditure. This investment was made possible due to a large grant from the Commonwealth Government. During the year in review, the Centre continued the Information Technology project upgrade, funded by a Lotterywest grant, and completed stage 1 of the new service users database

The Board takes a strong position on fiscal responsibility and continues to exercise caution in avoiding a situation where The Centre has a reliance on debt financing to fund capital infrastructure programs. All of The Centre's capital projects are funded by cash.

Turning to 2013/14 financial performance, The Centre made a consolidated profit of \$8.787m as compared to a previous financial year profit of \$4.649m.

While the result is pleasing, the quantum can be misleading. The major cause of the increase in profit is the \$3.478m transferred from Reserves for specific projects during the financial year plus a \$2.32m bequest.

In assessing The 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. For the first time, The Centre has put some funds aside in 2014/15 reserves for the future funding of depreciated assets.

The Centre's strong financial position coupled with the solid underpinning work will enable the organisation to move into 2014/15 financial year and into the new world of disability services sector with confidence.

# Auditor's Independence Declaration



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W [www.grantthornton.com.au](http://www.grantthornton.com.au)

## 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 2014, 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.

A handwritten signature in black ink that reads "Grant Thornton".

GRANT THORNTON AUDIT PTY LTD  
**Chartered Accountants**

A handwritten signature in black ink that reads "C A Becker".

C A Becker  
**Partner - Audit & Assurance**

Perth, 16 September 2014

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 2014

	Note	Consolidated	
		2014	2013
		\$'000	\$'000
Sales revenue – product sales	1(k) & 2(a)	5,536	4,562
Cost of sales	2(b)	(3,043)	(2,721)
Gross Profit		<b>2,493</b>	<b>1,841</b>
Service revenue	1(k) & 2(a)	2,183	1,974
Other revenue	1(k) & 2(a)	48,955	44,998
Administrative expense	2 (b)	(44,045)	(39,633)
Other expenses	2(b)	(8,245)	(7,563)
		<b>(1,152)</b>	<b>(224)</b>
Operating gain (loss) from ordinary activities before capital subsidies and income tax		1,341	1,617
Capital grants and subsidies	1(l) & 2(a)	<b>3,966</b>	<b>7,142</b>
Operating gain/(loss) from ordinary activities before income tax		5,307	8,759
Income tax expense	1(c)	-	-
Gain/(Loss) for the year		<b>5,307</b>	<b>8,759</b>
<b>Other comprehensive income</b>			
Revaluation of land and buildings		-	-
Total comprehensive income for the year		<b>5,307</b>	<b>8,759</b>
Transfers (to)/from reserves		3,479	(4,110)
Net movement in retained earnings		<b>8,786</b>	<b>4,649</b>

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



# Statement of Financial Position

AS AT 30 JUNE 2014

	Note	Consolidated	
		2014	2013
		\$'000	\$'000
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	1(b) & 13	14,981	16,551
Trade receivables	3	2,028	1,279
Inventories	1(e) & 4	961	760
Other current assets		153	85
<b>Total current assets</b>		<b>18,123</b>	<b>18,675</b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	1(f) & 5	40,287	33,019
Intangible assets	1(g) & 6	204	146
Other financial assets	1(m) & 7	42	42
<b>Total non-current assets</b>		<b>40,533</b>	<b>33,207</b>
<b>TOTAL ASSETS</b>		<b>58,656</b>	<b>51,882</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade payables	8	1,722	800
Provision for employee benefits	1(i) & 10	6,272	5,675
Other current liabilities	11	2,130	2,466
<b>Total current liabilities</b>		<b>10,124</b>	<b>8,941</b>
<b>Non-Current Liabilities</b>			
Provision for employee benefits	1(i) & 10	1,354	1,070
<b>Total non-current liabilities</b>		<b>1,354</b>	<b>1,070</b>
<b>TOTAL LIABILITIES</b>		<b>11,478</b>	<b>10,011</b>
<b>NET ASSETS</b>		<b>47,178</b>	<b>41,871</b>
<b>EQUITY</b>			
Retained profits	12(a)	17,412	8,626
Asset revaluation reserve	12(b)	21,966	21,966
Special purpose reserve	12(c)	7,800	11,279
<b>TOTAL EQUITY</b>		<b>47,178</b>	<b>41,871</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 2014

Consolidated		Asset Revaluation Reserve \$'000	Special Purpose Reserve \$'000	Retained Earnings \$'000	Total Equity \$'000
	Note				
<b>Balance at 1 July 2012</b>	12	<b>21,966</b>	<b>7,169</b>	<b>3,977</b>	<b>33,112</b>
Profit / (Loss) for the period		-	-	8,759	8,759
Other comprehensive income		-	-	-	-
Total comprehensive income		-	-	<b>8,759</b>	<b>8,759</b>
Revaluation increment		-	-	-	-
Net transfers to/ (from) reserves		-	4,110	(4,110)	-
<b>Balance at 30 June 2013</b>	12	<b>21,966</b>	<b>11,279</b>	<b>8,626</b>	<b>41,871</b>
<b>Balance at 1 July 2013</b>	12	<b>21,966</b>	<b>11,279</b>	<b>8,626</b>	<b>41,871</b>
Profit / (Loss) for the period		-	-	5,307	5,307
Other comprehensive income		-	-	-	-
Total comprehensive income		-	-	<b>5,307</b>	<b>5,307</b>
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>

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 2014

	Note	Consolidated 2014 \$'000	2013 \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Payments</b>			
Employee benefits	1(i)&(j)	(40,092)	(37,426)
Supplies and services		(13,304)	(10,231)
GST payments on purchases	1(d)	(2,047)	(1,346)
GST payments to taxation authority	1(d)	(4,040)	(3,831)
<b>Receipts</b>			
User charges and fees		7,407	5,880
Grants and subsidies		48,019	47,042
Fundraising		3,328	1,968
Interest received		678	633
GST receipts on sales	1(d)	6,487	5,455
GST receipts from taxation authority	1(d)	334	108
Other receipts		475	776
<b>Net cash provided by operating activities</b>		<b>7,245</b>	<b>9,028</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of property, plant and equipment		(9,704)	(5,311)
Proceeds from disposal of property, plant and equipment		889	695
<b>Net cash (used in) investing activities</b>		<b>(8,815)</b>	<b>(4,616)</b>
Net increase/(decrease) in cash and cash equivalents		(1,570)	4,412
<b>Cash and cash equivalents at beginning of the Period</b>		<b>16,551</b>	<b>12,139</b>
<b>Cash and cash equivalents at the end of the period</b>	13	<b>14,981</b>	<b>16,551</b>

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



# Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2014

## 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 16 September 2014.

### (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.

# Notes to the Financial Statements

## FOR THE YEAR ENDED 30 JUNE 2014

### **(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.

### **(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 are measured at the lower of cost and net realisable value. The cost of manufactured products 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.

### **(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. The previous re-valuation was undertaken at 30 June 2004.

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.

# Notes to the Financial Statements

## FOR THE YEAR ENDED 30 JUNE 2014

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

#### Basis of preparation (Continued)

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; 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 income statement 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.



## Notes to the Financial Statements

### FOR THE YEAR ENDED 30 JUNE 2014

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 Income Statement.

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.

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 9.25% to 30 June 2014: employee – nil although voluntary employee contributions can be made.)

# Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2014

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

### Basis of preparation (Continued)

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.

### (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.

# Notes to the Financial Statements

## FOR THE YEAR ENDED 30 JUNE 2014

### 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) Adoption of New and Revised Accounting Standards**

During the current year, the company has adopted all of the new and revised Australian

Accounting Standards and Interpretations applicable to its operations which became mandatory. The adoption of these Standards has impacted the recognition, measurement and disclosure of certain transactions. The following is an explanation of the impact the adoption of these Standards and Interpretations has had on the financial statements of the company.

#### AASB 13 Fair Value Measurement

AASB 13 clarifies the definition of fair value and provides related guidance and enhanced disclosures about fair value measurements. It does not affect which items are required to be fair-valued. The scope of AASB 13 is broad and it applies for both financial and non-financial items for which other Australian Accounting Standards require or permit fair value measurements or disclosures about fair value measurements except in certain circumstances.

AASB 13 applies prospectively for annual periods beginning on or after 1 January 2013. Its disclosure requirements need not be applied to comparative information in the first year of application. The Company has however included as comparative information the AASB 13 disclosures that were required previously by AASB 7 Financial Instruments: Disclosures.

#### Amendments to AASB 119 Employee Benefits

The 2011 amendments to AASB 119 made a number of changes to the accounting for employee benefits, the most significant relating to defined benefit plans.



# Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2014

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

### Basis of preparation (Continued)

The amendments:

- eliminate the 'corridor method' and requires the recognition of re-measurements (including actuarial gains and losses) arising in the reporting period in other comprehensive income;
- change the measurement and presentation of certain components of the defined benefit cost. The net amount in profit or loss is affected by the removal of the expected return on plan assets and interest cost components and their replacement by a net interest expense or income based on the net defined benefit asset or liability; and
- enhance disclosures, including more information about the characteristics of defined benefit plans and related risks.

Under the amendments, employee benefits 'expected to be settled wholly' (as opposed to 'due to be settled' under the superseded version of AASB 119) within 12 months after the end of the reporting period are short-term benefits, and are therefore not discounted when calculating leave liabilities. As the Company does not expect all annual leave for all employees to be used wholly within 12 months of the end of reporting period, annual leave is included in 'other long-term benefit' and discounted when calculating the leave liability.

This change has had no impact on the presentation of annual leave as a current liability in accordance with AASB 101 Presentation of Financial Statements

These amendments have both had no significant impact on the company.

### (r) New Accounting Standards for Application in Future Periods

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods and which the association has decided not to early adopt. A discussion of those future requirements and their impact on the association is as follows:

AASB 1031 Materiality (December 2013): The revised AASB 1031 is an interim standard that cross-references to other Standards and the Framework for the Preparation and Presentation of Financial Statements (issued December 2013) that contain guidance on materiality. The AASB is progressively removing references to AASB 1031 in all Standards and Interpretations, and once all these references have been removed, AASB 1031 will be withdrawn. When the revised AASB 1031 is first adopted for the year ending 30 June 2015, it is unlikely to have any significant impact on the entity.

AASB 2013-9 Amendments to Australian Accounting Standards – Conceptual Framework, Materiality and Financial Instruments (Part B: Materiality). Part B of AASB 2013-9 deletes references to AASB 1031 in various Australian Accounting Standards (including Interpretations). When these amendments are first adopted for the year ending 30 June 2015, they are unlikely to have any significant impact on the entity.

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

## Notes to the Financial Statements

### FOR THE YEAR ENDED 30 JUNE 2014

Part A of AASB 2014-1 makes amendments to various Australian Accounting Standards arising from the issuance by the International Accounting Standards Board (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:

- (a) 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); and
- (b) 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. When these amendments are first adopted for the year ending 30 June 2015, there will be no material impact on the entity.

AASB 2014-1 Amendments to Australian Accounting Standards (Part C: Materiality. Part C of AASB 2014-1 makes amendments to particular Australian Accounting Standards to delete their references to AASB 1031

Materiality, which historically has been referenced in each Australian Accounting Standard. When these amendments are first adopted for the year ending 30 June 2015, there will be no material impact on the entity.

IFRS 15 Revenue from Contracts with Customers. IFRS 15:

- replaces IAS 18 Revenue, IAS 11 Construction Contracts and some revenue-related Interpretations;
- establishes a new control-based revenue recognition model;
- changes the basis for deciding whether revenue is to be recognised over time or at a point in time;
- provides new and more detailed guidance on specific topics (e.g., multiple element arrangements, variable pricing, rights of return, warranties and licensing); and
- expands and improves disclosures about revenue.

In the Australian context, the Australian Accounting Standards Board (AASB) is expected to issue the equivalent Australian Standard (AASB 15 Revenue from Contracts with Customers), along with a new Exposure Draft (ED) on income from transactions of Not-for-Profit (NFP) entities by September 2014. The entity has not yet assessed the full impact of this Standard.

Clarification of Acceptable Methods of Depreciation and Amortisation (Amendments to IAS 16 and IAS 38). The amendments to IAS 16 prohibit the use of a revenue-based depreciation method for property, plant and equipment.

# Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2014

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

### Basis of preparation (Continued)

Additionally, the amendments provide guidance in the application of the diminishing balance method for property, plant and equipment.

The amendments to IAS 38 present a rebuttable presumption that a revenue-based amortisation method for intangible assets is inappropriate. This rebuttable presumption can be overcome (i.e. a revenue-based amortisation method might be appropriate) only in two limited circumstances:

- the intangible asset is expressed as a measure of revenue, for example when the predominant limiting factor inherent in an intangible asset is the achievement of a revenue threshold (for instance, the right to operate a toll road could be based on a fixed total amount of revenue to be generated from cumulative tolls charged); or
- when it can be demonstrated that revenue and the consumption of the economic benefits of the intangible asset are highly correlated.

The Australian Accounting Standards Board (AASB) is expected to issue the equivalent Australian amendment shortly. 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 10 Consolidated Financial Statements. AASB 10 establishes a revised control model that applies to all entities.

It replaces the consolidation requirements in AASB 127 Consolidated and Separate Financial Statements and AASB Interpretation 112 Consolidation – Special Purpose Entities.

The revised control model broadens the situations when an entity is considered to be controlled by another entity and includes additional guidance for applying the model to specific situations, including when acting as an agent may give control, the impact of potential voting rights and when holding less than a majority voting rights may give 'de facto' control. This is likely to lead to more entities being consolidated into the group. When this standard is first adopted for the year ending 30 June 2015, there will be no material impact on the transactions and balances recognised in 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.



## Notes to the Financial Statements

### FOR THE YEAR ENDED 30 JUNE 2014

#### **(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.

#### 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.

# Notes to the Financial Statements

## FOR THE YEAR ENDED 30 JUNE 2014

### 2. INCOME AND EXPENSE ITEMS

#### (a) Income

Operating loss is after crediting the following income:

##### Sales revenues:

	2014 \$'000	Consolidated 2013 \$'000
Product sales	5,536	4,562
Service revenue	2,183	1,974
<b>Total sales revenue</b>	<b>7,719</b>	<b>6,536</b>

##### Other revenues:

Operational grants	44,108	39,198
Capital grants	3,966	7,142
Gain on disposal of assets	272	258
Fundraising	3,347	2,099
Other income	524	2,801
Interest from unrelated parties	704	642
<b>Total other revenues</b>	<b>52,921</b>	<b>52,140</b>

<b>Total Income</b>	<b>60,640</b>	<b>58,676</b>
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#### (b) Expense

Operating loss is after charging the following expenses:

##### Administrative Expenses

Employee entitlements	41,151	37,338
Operating lease rentals	228	221
Maintenance	2,666	2,074
<b>Total administrative expenses</b>	<b>44,045</b>	<b>39,633</b>

##### Depreciation and Amortisation

Depreciation of buildings	697	655
Depreciation of motor vehicles	827	626
Depreciation of plant and equipment	217	208
Amortisation of intangible assets	19	36
<b>Total depreciation and amortisation</b>	<b>1,760</b>	<b>1,525</b>

# Notes to the Financial Statements

## FOR THE YEAR ENDED 30 JUNE 2014

	Consolidated	
	2014	2013
	\$'000	\$'000
<b>2. INCOME AND EXPENSE ITEMS (CONTINUED)</b>		
<b>(b) Expense (continued)</b>		
<b>Bad Debts</b>		
Bad debts written off	36	1
Net charge to provision for doubtful debts	(15)	23
<b>Total bad and doubtful debts expense</b>	<b>21</b>	<b>24</b>
<b>Cost of sales</b>		
Cost of goods sold	3,043	2,721
<b>Total cost of goods sold</b>	<b>3,043</b>	<b>2,721</b>
<b>Other Expenses</b>		
Other operating expenses	6,464	6,014
<b>Total other expenses</b>	<b>6,464</b>	<b>6,014</b>
<b>Total Expenses</b>	<b>55,333</b>	<b>49,917</b>
<b>3. TRADE RECEIVABLES</b>		
Trade debtors	1,092	915
Less provision for doubtful debts	(37)	(52)
	1,055	863
GST Taxation receivable	195	137
Interest receivable	38	34
Accrued income	740	245
	973	416
<b>Total trade receivables</b>	<b>2,028</b>	<b>1,279</b>
<b>4. INVENTORIES</b>		
Raw materials and stores at cost	676	501
Work in progress, at cost	137	128
Finished goods, at cost	148	131
<b>Total inventories</b>	<b>961</b>	<b>760</b>



# Notes to the Financial Statements

## FOR THE YEAR ENDED 30 JUNE 2014

### 5. PROPERTY, PLANT AND EQUIPMENT

	Consolidated	
	2014	2013
	\$'000	\$'000
<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	9,255	7,052
Additions	1,889	2,295
Disposals	-	(92)
Revaluations	-	-
Closing balance	<b>11,144</b>	<b>9,255</b>
<i>Accumulated depreciation: -</i>		
Opening balance	(653)	(7)
Additions	(697)	(655)
Disposals	-	9
Revaluations	-	-
Closing balance	<b>(1,350)</b>	<b>(653)</b>
 Net buildings before work in progress	 9,794	 8,602
Work in progress	7,284	3,292
<b>Net buildings</b>	<b>17,078</b>	<b>11,894</b>
 <b>Plant and equipment at cost</b>		
Opening balance	4,623	4,585
Additions	1,042	38
Disposals	(524)	-
Transfer between asset classes	-	-
Closing balance	<b>5,141</b>	<b>4,623</b>

## Notes to the Financial Statements

### FOR THE YEAR ENDED 30 JUNE 2014

	Consolidated	
	2014	2013
	\$'000	\$'000
<b>5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)</b>		
<i>Accumulated depreciation: -</i>		
Opening balance	(3,598)	(3,389)
Additions	(217)	(209)
Disposals	512	-
Transfer between asset classes	-	-
Closing balance	(3,303)	(3,598)
Net plant and equipment before work in progress	1,838	1,025
Work in progress	878	474
<b>Net plant and equipment</b>	<b>2,716</b>	<b>1,499</b>
<b>Motor vehicles at cost</b>		
Opening balance	4,488	4,199
Additions	2,310	1,707
Disposals	(1,733)	(1,418)
Transfer between asset classes	-	-
Closing balance	5,065	4,488
<i>Accumulated depreciation: -</i>		
Opening balance	(2,591)	(2,946)
Additions	(827)	(626)
Disposals	1,117	981
Transfer between asset classes	-	-
Closing balance	(2,301)	(2,591)
Net motor vehicles before work in progress	2,764	1,897
Work in progress	-	-
<b>Net motor vehicles</b>	<b>2,764</b>	<b>1,897</b>
<b>Total property, plant and equipment</b>	<b>40,287</b>	<b>33,019</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".

# Notes to the Financial Statements

## FOR THE YEAR ENDED 30 JUNE 2014

	Consolidated	
	2014	2013
	\$'000	\$'000
<b>6. INTANGIBLE ASSETS</b>		
<b>Computer software at cost</b>		
Opening balance	220	220
Additions	107	-
Closing balance	327	220
<i>Accumulated amortisation: -</i>		
Opening balance	(181)	(145)
Additions	(19)	(36)
Closing balance	(200)	(181)
Net intangible assets before work in progress	127	39
Work in progress	77	107
<b>Net intangible assets</b>	<b>204</b>	<b>146</b>

## 7. OTHER FINANCIAL ASSETS

Listed Australian Shares	42	42
<b>Total other financial assets</b>	<b>42</b>	<b>42</b>

These assets are stated at fair value. The shares are denominated in AUD and are publicly traded in Australia.

## 8. TRADE PAYABLES

Trade creditors	1,557	461
Taxation payable	165	339
<b>Total payables</b>	<b>1,722</b>	<b>800</b>

## 9. COMMITMENTS

<i>Operating leases: -</i>		
Due within one year	91	94
Due within one to two years	75	90
Due within two to five years	-	75
	166	259
<b>Lease rental expense included in the determination of the operating loss</b>	<b>168</b>	<b>161</b>

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



# Notes to the Financial Statements

## FOR THE YEAR ENDED 30 JUNE 2014

	Consolidated	
	2014	2013
	\$'000	\$'000
<b>10. PROVISIONS FOR EMPLOYEE BENEFITS</b>		
<b>Current</b>		
Annual leave	3,358	3,049
Long service leave	2,298	2,075
Employee On Costs	616	551
Total current provisions	6,272	5,675
<b>Non-current</b>		
Long service leave	1,221	966
Employee On Costs	133	104
Total non-current provisions	1,354	1,070
<b>Total Provisions</b>	<b>7,626</b>	<b>6,745</b>
<b>11. OTHER CURRENT LIABILITIES</b>		
Bonds held in trust	27	25
Accrued expenses	699	1,048
Income received in advance	688	729
Other liabilities	716	664
<b>Total other current liabilities</b>	<b>2,130</b>	<b>2,466</b>
<b>12. EQUITY</b>		
<b>(a) Retained Profits</b>		
Opening balance	8,626	3,977
Net profit	5,307	8,759
Transfers (to)/from reserves	3,479	(4,110)
<b>Closing balance</b>	<b>17,412</b>	<b>8,626</b>
<b>(b) Asset Revaluation Reserve</b>		
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>

# Notes to the Financial Statements

## FOR THE YEAR ENDED 30 JUNE 2014

	Consolidated	
	2014	2013
12. EQUITY(CONTINUED)	\$'000	\$'000

### (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	11,279	7,169
Transfer from retained profits	6,841	9,903
Transfer to retained profits	(10,320)	(5,793)
Net transfers	(3,479)	4,110
Closing balance	7,800	11,279

### 13. CASH AND CASH EQUIVALENTS

Cash on hand	6	7
Cash at bank	1,274	1,356
Cash investments	13,701	15,188
	14,981	16,551

Call deposits with banks are paying interest at current bank deposit rates. At year end the average rate was 2.25% (2013 – 2.75%).

### 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.

# Notes to the Financial Statements

## FOR THE YEAR ENDED 30 JUNE 2014

### 15. CONTINGENT ASSET

The company has no known contingent assets as at 30 June 2014.

### 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 2014	% 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.

### 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 I Curlewis  
Mr M Intini          Mr Justin Scanlan  
Ms Laura Sewell

# Notes to the Financial Statements

## FOR THE YEAR ENDED 30 JUNE 2014

### 18. RELATED PARTIES (CONTINUED)

#### (a) Directors (continued)

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 M Northcott	Mr P Curtis
Ms Jennifer Prior	Ms Priya Cooper
Mr Glenn Mitchell	Dr P Chauvel
Ms Kellie Hasluck	Ms J Marr
Mr G McGrath	

#### (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 \$2,319,773. (2013 - \$Nil) 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 donated the proceeds of specific commercial revenue amounting to Nil. (2013 - \$Nil) to the Trust. The company paid \$35,858 (2013 - \$31,939) to the Trust for the rental of trust properties.



# Notes to the Financial Statements

## FOR THE YEAR ENDED 30 JUNE 2014

### 18. RELATED PARTIES (CONTINUED)

#### (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. Key Management Personnel remuneration includes the following expenses:

	2014	2013
	\$'000	\$'000
Total Key Management Personnel remuneration	1,035	1,094

### 19. PARENT ENTITY INFORMATION

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

	Consolidated	
	2014	2013
	\$'000	\$'000
<b>Statement of financial position</b>		
Current assets	12,203	15,155
Total assets	51,872	47,475
Current liabilities	10,124	8,941
Total liabilities	11,478	10,011
Retained earnings	11,386	4,978
<b>Statement of comprehensive income</b>		
Gain/(Loss) for the year	2,930	8,844
Other comprehensive income	-	-
Total comprehensive (loss)	2,930	8,844

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.

## Director's Declaration

### TO THE MEMBERS

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 2014 and of the performance for the period 1 July 2013 to 30 June 2014; 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 16th day of September 2014

# Independent Auditor's Report



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## TO THE MEMBERS OF THE CEREBRAL PALSY ASSOCIATION OF WESTERN AUSTRALIA LIMITED

We have audited the accompanying financial report of The Cerebral Palsy Association of Western Australia Limited (the "Company"), which comprises the statement of financial position as at 30 June 2014, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the company 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 Company 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 Australian Charities and Not-for-profits Commission Act 2012 and the Corporations Act 2001. 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



An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial report.

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

## Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001 and the Australian Charities and Not-for-profits Commission Act 2012.

## Auditor's opinion

In our opinion:

- a. the financial report of The Cerebral Palsy Association of Western Australia Limited 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 2014 and of their performance for the year ended on that date; and
- b. complying with Australian Accounting Standards - Reduced Disclosure Requirements, the Australian Charities and Not-for-profits Commission Act 2012 and the Corporations Act 2001.

A stylized, handwritten signature of "Grant Thornton" in black ink.

GRANT THORNTON AUDIT PTY LTD  
**Chartered Accountants**

A stylized, handwritten signature of "C A Becker" in black ink.

C A Becker  
**Partner - Audit & Assurance**

Perth, 16 September 2014







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