

President's Report 2019

Welcome to everyone attending the 2019 AGM for the Cerebral Palsy Society of NZ Inc. We note with sadness the passing of Neil McCrorie, a Life Member who served the cerebral palsy members so well. Special thanks to our Life Members Pauline Angus, Florence Hutchins, Glenis Lobb, June McCrorie, Margaret Thomson and Ross Flood. To all members here today- thank you for coming. I would also like to acknowledge those members who are unable to attend.

We have had a busy year and I hope to summarise what we have been up to.

Essential Assets Limited (EAL)

Our wholly owned subsidiary, Essential Assets Limited (EAL) had another very successful year of operation, generating a Net Profit (after payments to the Cerebral Palsy Society) of \$3.10m. This represents a ~10% return on assets from the starting value. Total Assets invested are now \$30.95m compared with \$28.6m in the previous year.

As with the previous year, there have been periods of significant volatility in both domestic and global equity markets during the year but EAL has been in a position to take advantage of opportunities to generate positive returns.

The single investment manager has delivered significant benefits to EAL with an active investment management across the whole portfolio and a single cohesive investment strategy.

There remains significant global volatility as geopolitical uncertainty exists on various fronts and EAL is exposed to this. Furthermore the record low interest rates across most markets put bond and term deposit interest rates under pressure. The Board of EAL has a conservative investment strategy and portfolio plus other risk mitigation policies in place to limit the effects of this volatility on the value of our portfolio.

The Board of EAL remains focussed to deliver the income requirements to the Cerebral Palsy Society and generate sustainable positive returns to its portfolio for the long-term future of the Society and its members.

We acknowledge with gratitude the Directors of EAL- Daniel Aldersley, Robyn Stent and Dave Thomas for their time, effort and the positive results they have delivered.

Cerebral Investments Limited (CIL)

For the year ended 30 June 2019, the highlights for the Cerebral Investments Limited (CIL) Group of Investment companies included:

- Strong performance from our landscaping business that has been in operation for over three years now. Net Profit for the year of \$218k
 - Sales Income for the year of over \$1.2m. This represents a 66% year on year increase.
 - Gross Profit Margin at 37% has also improved from the previous year (31%) as we have seen operating efficiency gains and improved staff management.

- Business Loan from CIL of \$88,000 was fully repaid during the year. There is no external funding involved to support this business.
- Dividends of \$50,000 were also distributed from profits back to CIL
- Residential Concreting business set up in May this year. A contractor with extensive concreting and commercial experience has been secured to grow this business:
 - In the short period of operation, staff and equipment have been brought on board and strong Sales have been generated over the traditional quieter winter period
- For our Whangaparaoa property holding, a previous resource consent application was withdrawn as we believe there are more viable development options available. In the meantime, the property continues to generate rental income.
- Whilst we have put funds on hold for the property development, we are utilising those funds by investing in the peer to peer lending platforms available. The majority of these funds are invested in secured short term residential first mortgage lending with returns in excess of 6%. A smaller \$50k portfolio is invested in an unsecured personal lending platform achieving returns close to 12%.
- Going forward into FY20, we have some exciting prospects to consider
 - Consolidating and developing the concreting operations further into a profitable and sustainable business
 - Developing our landscaping company into new business areas
 - Currently undertaking due diligence on a franchise business opportunity with turnover potential over \$3m pa
 - Further progress on our Whangaparaoa property development

CPS wishes to acknowledge the work undertaken by Anthony Smith and

Programmes

We continue to work on improving our programmes, based on feedback from our members. During the past year we have:

- Approved 309 grants for a range of creative and innovative initiatives requested by our members, valued at \$76,424
- Provided 464 members with getThisandThat vouchers, valued at \$53,344 (vouchers to 18% more members)
- Provided 693 members with getOutThere vouchers, valued at \$200,863
- Provided 479 members with getPhysical vouchers, valued at \$134,041
- Provided 14 members with getStructured opportunities, valued at \$12,448
- Provided 36 members with getUpAgain support (10% increase)
- Provided 71 trikes
- Held 25 events around the country for CPS members.

Membership

Membership continues to grow. We currently have over 1700 members, which totals around 6000 people when we include families. It is also positive to see an increasing number of members making use of the multi-year membership option.

Fundraising

The Cerebral Palsy Society is committed to ensuring the ongoing viability and sustainability of our organisation and future proofing the Society. We have a healthy asset base (due to the exceptional management by this and previous boards.) We want to provide better services to our members and new innovative opportunities. In order to do this, we need to raise funds so we do not deplete our current asset base. Steptember was the initial fundraising platform and we are now focusing on diversifying our fundraising revenue with events, grants, corporate partnerships, wills and bequests and other avenues of support.

Steptember

Steptember 2019 has just finished. The funds are not finalised yet, however we have plans to:

- Continue funding research in NZ and Australia that is relevant to New Zealanders.
- Bring over Pia Stampe in February 2020
- Grow our Youth Alliance, expanding it geographically and offering more opportunities to young people with mentoring, leadership, transition and volunteering
- Expand existing programmes e.g. getThis&That, incorporating innovative and unique ideas, some from overseas
- Host another research day, hopefully with Prof Iona Novak again, and grow our research programmes
- Engage in the Cerebral Palsy Clinical Network in order to develop consensus guidelines for early diagnosis and intervention
- Extend parent evenings, providing opportunities for parents and other adults to see what resources in the community are available to them.

Other Services for Members with Cerebral Palsy

We have continued to develop the initiatives we started, all based on members' feedback. We are working on developing our family support services including Mums' and Dads' events, advocacy, and information meetings and Give it A Go day. Our young people focus is around the Youth Alliance – developing the Freedoms, learning governance and leadership and mentoring other young people. Our focus on adults includes enhancing the coffee clubs and Friday morning sessions; advocating for people with more severe CP; for older people and for people who are non-verbal and research around the needs of older people, while also encouraging them to participate in our programmes.

Advocacy

We have increased our internal focus on one-to-one advocacy providing a range of individualised advocacy for members:

- children and their families,
- young people and older people,
- people with level 4 & 5 CP who need additional support and
- people who are non-verbal.

Over the past year, we have provided over 2,700 advocacies of which 2000 were simple and around 700 complex advocacies.

Youth Alliance (YA)

The Auckland Youth Alliance group has continued to develop videoing their Freedoms, extending their services (with thank to the Ministry of Youth Affairs) and learning governance, leadership and mentoring skills.

Research

We have a very successful Research Day with Prof Iona Novak as a guest speaker.

Events

Again, we are grateful to our members' Events' committees in Auckland, Masterton and Christchurch for their work in organising functions for their community. We really appreciate your support and hard work.

Respite

The Respite committee is focusing on the range of options for our members and their families and will provide information back to our members shortly.

Working with other organisations that work with people with physical disabilities

CPS has overseen a consortium of physical disability organisations, increasing our opportunity to work together around advocacy, employment and the youth sector. This is a long-term project aimed at improving outcomes across the sector. One of the strategies we are currently working on is the initiation of a beach mat and water wheels at accessible beaches throughout the country.

Clinical Network

The CP Society is delighted to announce that there is now a CP Clinical Network- the first Clinical Reference group will be in November this year, followed by the establishment of working groups.

Intensives

CPS is proudly working with PwC on a cost benefit analysis of intensive programmes in comparison to our current status quo.

Website

Work has continued on improving the website and ensuring improved accessibility for our members. We have also re-designed our forms and improved the navigation around the site. Whilst it is always going to be a work in progress, requiring regular updates and upgrades, we have made considerable improvements.

Financials

The financial statements reflect the strong returns received from investments throughout the year and acknowledges the strengths of the investment companies.

Board

Again, I wish to thank the CPS Board for their time and talent. I appreciate the collegiality, wise direction and strong work ethic of our voluntary Board of Directors over the past twelve months. The Board enhanced the strategic plan this year, focusing on the four main areas.

Members – to ensure all programmes and services are developed with the intent of empowering members to enhance their lives

Funding - to ensure ongoing viability, sustainability and growth, to support our asset base

Advocacy - to define strategies for the Society that empower members (based on clarification of purpose and a core set of values)

People - to ensure members are empowered to enhance their own lives

I would also like to thank the Directors of both EAL and CIL for their long term work on developing our organisation and providing financial security for CPS to grow.

Office

On behalf of the Board (and members), I want to recognise and sincerely thank the Grants Committee of Sean, Jake, Craig, Sharon, Deb and Anna as well as the staff within the Society Offices - they keep the key services, programmes and ideas running smoothly. Special thanks to Michael, Matt, Amy, Paul, Sue, Jordon, Jacqui, Steph, Scott, Gemma, Mke and Gilli.

Thank you all for your tireless dedication and commitment to the Cerebral Palsy Society - we really appreciate it.

Respectfully submitted,



Anthony Smith, President