

**CPL – CHOICE, PASSION, LIFE**  
**ABN 27 009 942 269**

**CONSOLIDATED FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2023**

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**CPL – Choice, Passion, Life  
(ABN 27 009 942 269)**

**Directors' Report  
For the Year Ended 30 June 2023**

The Directors of CPL - Choice, Passion, Life (CPL) present their report together with the consolidated financial report consisting of CPL and the entities it controlled at the end of, or during the financial year ended 30 June 2023 (the financial year) and the auditor's report thereon.

**Directors**

The Directors of CPL at any time during or since the end of the financial year are:

<b>Name and Qualifications</b>	<b>Experience and Special Responsibilities</b>
<b>Simon Crane</b> BCom, FCA, GAICD	<b>CPL Chair</b>  Simon Crane is a recognised financial leader, bringing over 30 years' experience in financial management and accountancy to the CPL Board.  Since the beginning of his career, Simon has advised large, publicly listed multinationals, privately owned companies and not-for-profit organisations to strengthen and grow their financial positions.  His experience across a broad range of industries has led to his appointment as the Partner-in-Charge of KPMG's Brisbane Audit and Assurance practice from 2013 to 2021.  It was Simon's involvement with CPL as its auditor that lead him to join the Board in 2016. Simon was appointed Chair of CPL in November 2021.  Simon holds a Bachelor of Commerce, is a registered Chartered Accountant, a Fellow of the Institute of Chartered Accountants Australia and New Zealand, and a Graduate of the Australian Institute of Company Directors.
<b>Ken MacDonald, AM</b> BA (Hons), LLB (Hons), FAICD	Ken MacDonald has over 40 years' experience in corporate law, specialising in the energy and natural resources sector.  During his career, Ken has advised and guided businesses through periods of growth and change and has a passion for supporting leaders and business executives.  As a seasoned Director, Ken has served in a number of board management and directorship positions including Chairman of Highlands Pacific Limited, Deputy Chancellor of Bond University, Deputy Chairman of the Queensland Investment Corporation and Director of Save the Children Fund Australia. Currently, Ken is the Chair of the Queensland Business Leaders Hall of Fame Induction Committee and a Member of the Queensland Library Foundation Council.

**Directors' Report  
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In 2017, Ken was recognised for his extensive service to Boards across Australia with a Gold Medal from the Australian Institute of Company Directors.

Ken holds a Bachelor of Arts (hons), a Bachelor of Laws (hons) and is a Fellow of the Australian Institute of Company Directors.

**Susan McKee**

RN, BSC HMS, MBA, GAICD

Susan McKee is a registered nurse and health sector leader with over three decades of experience in implementing strong healthcare and business strategies.

An experienced Executive and Board Director, Susan has extensive operational and strategic experience leading large, complex organisations, with particular focus on healthcare services.

Her background in nursing, coupled with her personal experience supporting a God daughter with a disability, sees Susan bring her passion for client advocacy to the CPL Board.

Susan currently serves as the Chief Executive Officer for Dental Health Services Victoria and is a Director of the Australian Healthcare and Hospitals Association.

Susan holds a Bachelor of Nursing, a Bachelor of Human Movement Studies, a Master of Business Administration and is a Graduate of the Australian Institute of Company Directors.

**Sue Scheinpflug**

GAICD, BTeach, BEd

**CPL Deputy Chair**

Sue Scheinpflug is an experienced leader, with more than 20 years of experience as a CEO in the human services and health sectors.

Sue is the Chair of Health Translation Queensland, a board member of West Moreton Health, a community board member of the Parole Board Queensland, a board member of UQ Health Care and a member of the Queensland Mental Health and Drug Advisory Council for the Queensland Mental Health Commission.

Sue is also a mentor and coach to executives in a range of fields, including health, government, public policy and the not for profit sectors.

Sue holds qualifications in education and is a graduate of the Australian Institute of Company Directors. She has held numerous advisory and policy development roles at local, state and national government levels, and has won awards as a business and community leader, including the 2009 Queensland Telstra Business Woman of the Year Award.

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**Robin Grant**  
GCE (UK)

A North Queensland leader with over three decades of experience, Rob Grant has extensive knowledge of communication and advertising.

For over 20 years, Rob worked for international and national brands to create and execute multi-level communications campaigns. With extensive knowledge of the commercial television industry, Rob has also worked in national sales and marketing positions for some of Australia's largest TV networks.

Passionate about improving disability services, Rob brings his lived experience of supporting a family member with disability to the CPL Board. Rob served as the Chair of Cootharinga North Queensland from 2002 until 2022.

**Brendon Gibson**  
BCom (MAF), CPA

Brendon Gibson is an experienced senior executive, consultant, and change leader. Over his 25+ year career, Brendon has delivered financial and risk management advice and services to a host of large organisations, including Pacific National and Aurizon.

Joining the CPL Board in 2021, Brendon contributes extensive experience as a Board Director, as well as a passion for creating community impact as demonstrated through his current appointments to the Nominations Committee and Delegate for Queensland Cricket and President of South Brisbane District Cricket Club.

Brendon is a Certified Practising Accountant and holds a Bachelor of Commerce and a Master of Applied Finance.

**Colleen Clur**  
BA(Hon), MA(Hist),  
GradDipBusAdmin, GAICD

Colleen Clur is a highly experienced senior leader with a strong background in engagement and strategy development.

As a former hospital and health service Executive Director, Colleen brings a wealth of experience in corporate governance, risk management, and strategic planning to the Board. Her extensive knowledge of communications and helping organisations with strategy development led her to found her own consultancy.

Colleen is a published author, Graduate of the Australian Institute of Company Directors and holds a Bachelor and Master of Arts in History.

**Alastair Sharman**  
MSc (IT), BA (Hons)

Alastair is an accomplished senior executive with more than 25 years'

**Directors' Report**  
**For the Year Ended 30 June 2023**

experience in delivering information management, technology and digital services in the public and private sector.

After commencing his career in the Australian Army, Alastair worked extensively in consulting before being appointed the first Chief Information Officer (CIO) for Children's Health Queensland Hospital and Health Service in 2015 and then Chief Digital Officer for the Mater Group in 2020. His experience in transformative change and digital leadership saw him recognised as one of Australia's top 50 IT chiefs in 2016 and 2017 by cio.com.au, a leading voice in IT.

Alastair holds a Master of Science in Information Technology, a Graduate Diploma in Information Management and Analysis, and a Bachelor of Arts with Honours in Politics. He is a graduate of the Royal Military College of Australia and the Australian Defence Force Academy.

**COMPANY SECRETARIES**

The company secretaries of CPL at any time during, or at the end of, the financial year are as follows.

**Anastasia Maynes** (BCom LLB (Hons), Grad Dip LP, Grad Dip ACG, FGIA) is an accredited Chartered Secretary and has over 10 years' experience in mergers and acquisitions, capital market and corporate transactions and corporate governance. Her experience includes working as a corporate lawyer in one of Australia's top tier law firms and being a Company Secretary of both ASX-listed and unlisted companies. Currently, Anastasia works as a legal consultant in Minter Ellison's Corporate Practice Group in Brisbane and has served as CPL Company Secretary since 2015.

**Leanne Perry** (BCom (Accounting), FCPA, GAICD). Leanne's career in accounting and financial management spans 25 years and includes roles in disability, professional services, retail and logistics. Leanne joined CPL in 2021 where her role as Chief Financial Officer sees her leading a number of functions including finance, business insights, payroll, NDIS portal and claiming, rostering, support coordination, procurement, and fleet.

This statement outlines the main corporate governance practices that were in place throughout the financial year. Such practices are based on the ASX Corporate Governance Council recommendations. Although CPL is not legally bound to follow these recommendations, the Directors have adopted many of these recommendations and their disclosure can be found in this statement. The adoption of best practice guidelines is considered by the Directors to be in the best interests of CPL and will also assist CPL in satisfying the expectations of clients and stakeholders, including the government agencies, funding bodies, sponsors and donors.

The Directors periodically review the corporate governance practices in place to ensure they remain most appropriate to CPL's organisational structure and particular circumstances from time to time.

**BOARD OF DIRECTORS**

**Directors' Report**  
**For the Year Ended 30 June 2023**

**Role of the Board**

The Directors' overriding objective is to provide quality services and support, which will enable and empower people with disabilities to create and access opportunities to lead valued lives as respected and equal members of society within their family and community. In order for CPL to achieve this objective, the Directors must ensure that CPL continues to be relevant to the needs of clients and stakeholders, and importantly, that CPL remains financially sustainable into the future.

The Board is comprised wholly of non-executive members. Operational and administrative responsibilities are delineated by formal authority delegations to the Chief Executive Officer and executive management. Notwithstanding these delegations, the functions of the Board are clearly defined according to good corporate governance principles and include:

- responsibility for formulating its strategic direction;
- approval of the annual budget and financial plan;
- monitoring financial performance including approval of the financial reports and liaison with CPL's auditors;
- assessment of the performance of the Chief Executive Officer;
- monitoring managerial performance; and
- ensuring that the significant risks facing CPL have been identified and appropriate and adequate control, monitoring and reporting mechanisms are in place, and reporting to members, stakeholders and regulatory authorities.

A description of CPL's main corporate governance practices is set out below. All these practices, unless otherwise stated, were in place for the entire financial year.

The Directors are committed to the principles underpinning best practice in corporate governance that are applied in a manner which is best suited to CPL and which will allow the Directors to discharge their responsibilities to members, other stakeholders and to CPL as a whole. The structure of the Board is fundamental to achieving these objectives.

It is important that the Board, which has ultimate responsibility for CPL's direction and performance, is composed of Directors able to consider the issues with both compassion and understanding of the needs of clients and stakeholders as well as the appropriate level of skill, independence and objectivity. Many of CPL's Directors have or have had relatives with disabilities or have in some way a strong personal connection with CPL. Importantly, from a corporate governance perspective, the Board comprises of independent non-executive Directors that were recruited for their specific commercial and professional expertise. The Board is confident the current mix of Directors' expertise and perspective will allow the Board to continue to meet its objectives and responsibilities for the good governance of CPL.

**Board Operations**

During the financial year, seven Board meetings were held, with Directors also attending Board Committee meetings. CPL's financial performance is monitored by regular analysis of financial statements and an evaluation of progress against budget, forecasts and key benchmarks. In addition, the Board has determined to undertake a regular review of progress against the long-term goals set out in the strategic plan.

Directors spend time reading and analysing Board papers and reports submitted by the executive management team and they engage in regular discussions with management, primarily through the various Board committees. The views of the Chairperson and Directors are canvassed regularly by the Chief Executive Officer and the executive management team on a range of strategic and operational issues. Senior executives regularly attend Board and Committee meetings to report on matters. Directors also have the opportunity to visit CPL facilities and offices and to meet with the executive management team in order to gain a better

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**Directors' Report  
For the Year Ended 30 June 2023**

understanding of CPL operations.

An important feature of good corporate governance is that the Board periodically assesses whether there is a need for a person with particular skills, qualifications or experience to be brought onto the Board. The whole Board participates in this process and has a Nominations and Remuneration Committee to assist in this assessment.

The Directors also have a Code of Conduct and each Director has confirmed their intention to be bound by that Code. In the event that a Director has a potential or actual conflict of interest, such as an ongoing commercial or other relationship, the Director involved is required to withdraw from all deliberations where the conflict of interest may arise unless all other Directors determine the Director may continue to participate in such deliberations.



**Directors' Report**  
**For the Year Ended 30 June 2023**

**Directors' Meetings**

Name of Director	2023 Meetings Eligible to Attend	2023 Meetings Attended	2022 Meetings Eligible to Attend	2022 Meetings Attended
Simon Crane* (Chair)	7	6	9	8
Bruce Cowley (resigned 27 November 2021)	-	-	3	3
Dermot Lindsay (resigned 12 February 2022)	-	-	6	1
Ken MacDonald	7	6	9	7
Susan McKee	7	7	9	9
Michael Pini (resigned 27 November 2021)	-	-	3	3
Sue Scheinpflug	7	7	9	8
Robin Grant	7	7	9	8
Colleen Clur (joined 26 August 2021)	7	6	9	9
Brendan Gibson (joined 26 August 2021)	7	7	9	9
Alastair Sharman (joined 7 June 2022)	7	7	1	1

\*Simon Crane was granted a leave of absence from the CPL Board of Directors for the period 4 June 2021 to 8 October 2021 inclusive. This includes one Director's meeting in the 2021-22 financial year

**Independent Advice and Access to CPL Information**

A Director may, with the prior written approval of the Chairperson, seek their own independent legal advice at CPL's expense to assist them in the performance of their duties to CPL and the members. Due to the cost of obtaining legal services, the Board would generally be consulted before such consent was given. It is anticipated that the need for such advice would only arise in extraordinary circumstances and, to date, no such request has been made.

Each Director has the right of access to relevant CPL information and to the CPL's executive management team.

**Composition of the Board**

The names of the Directors of CPL in office at the date of this report are set out in the Directors' report on pages 3 to 6 of this report. The composition of the Board is determined using the following principles:

- a minimum of seven Directors and a maximum of eleven Directors, with a broad range of expertise and skills;
- all are non-executive and independent Directors including the Chairperson;
- there are sufficient Directors to serve on the various Board committees without overburdening the Directors or making it difficult for them to fully discharge their responsibilities; and
- all Directors are subject to re-election every three years.

**Directors' Report**  
**For the Year Ended 30 June 2023**

An independent Director is a Director who is not a member of management (a non-executive Director) and who either:

- does not hold any office for profit within CPL; or
- is not directly or indirectly interested in any contract or proposed contract with CPL; or
- is free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the Director's ability to act in the best interests of CPL.

**Directors' Insurance and Officers' Insurance**

CPL maintains insurance in respect of Directors' and Officers' Liability and legal expenses' insurance contracts for current and former Directors and officers of CPL.

The Directors have not included details of the nature of the liabilities covered or the amount of the premium paid in respect of the Directors' and Officers' Liability and legal expenses' insurance contracts as such disclosure is prohibited under the terms of the contract.

**Board Processes**

The Board usually meets at least eight times per year. Additional Board meetings may be scheduled at such other times as may be necessary to address any special significant matters that may arise. The agenda for meetings is prepared by the Chief Executive Officer in conjunction with the Chairperson. Standing items include the Chief Executive's Officer's report, financial reports, services report, and people learning and culture report along with matters of strategic importance. Board papers are circulated in advance to ensure Directors have sufficient opportunity to properly review Board papers before each Board meeting. The executive management team are regularly involved in Board discussions and Directors have other opportunities, including visits to CPL service offices, to further Directors' understanding of CPL's facilities and to allow contact with a wider group of staff, clients and stakeholders.

**Board Committees**

The Board has established a number of committees to assist in the execution of its duties and to allow detailed consideration of important matters.

Each committee has written terms of reference setting out its role and responsibilities, composition, structure, membership requirements and the manner in which the committee is to operate. The Board approves each committee's terms of reference and reviews them on an annual basis. All matters determined by committees are submitted to the Board as recommendations for Board decisions.

**Nominations and Remuneration Committee**

The Nominations and Remuneration Committee is chaired by Simon Crane. Other members of the committee during the financial year were Susan McKee, Ken MacDonald and Sue Scheinpflug. The role of this committee is to recommend any potential Director to the Board for ratification noting that all Directors are subject to re-election every three years and reviewing the remuneration arrangements for the Chief Executive Officer and other senior executives.

Remuneration and other terms of employment are reviewed annually by the committee having regard to performance against goals set at the start of the year, relevant comparative information and independent expert advice. As well as base salary, remuneration packages include superannuation and may include various components of salary sacrifice and salary packaging.

**Directors' Report**  
**For the Year Ended 30 June 2023**

The review of remuneration arrangements for the Chief Executive Officer and other senior executives was undertaken by the full Board.

This committee met once during the financial year.

**Directors' Participation in Nominations and Remuneration Committee**

Director	2023 Meetings Eligible to Attend	2023 Meetings Attended	2022 Meetings Eligible to Attend	2022 Meetings Attended
Simon Crane (Chair)	1	1	2	1
Bruce Cowley (resigned 27 November 2021)	-	-	2	2
Susan McKee	1	1	4	3
Dermot Lindsay (resigned 12 February 2022)	-	-	2	2
Ken Macdonald	1	1	4	3
Sue Scheinpflug (joined 16 March 2023)	-	-		

**Finance and Risk Committee**

The Finance and Risk Committee is chaired by Brendon Gibson with expert financial qualifications and comprises other Directors, including Directors with commercial and legal expertise. Other members of the committee during the financial year were Susan McKee and Ken MacDonald.

The role of this committee is to provide advice to the Board on CPL's financial performance, governance and compliance processes of CPL and to receive reports and direct any actions required from group compliance and audits of CPL. The Chief Executive Officer, the Chief Financial Officer, a Company Secretary and CPL's external auditors attend the Finance and Risk Committee by invitation.

This committee met four times during the financial year.

**Directors' Participation in Finance and Risk Committee**

Director	2023 Meetings Eligible to Attend	2023 Meetings Attended	2022 Meetings Eligible to Attend	2022 Meetings Attended
Brendon Gibson (Chair) (joined 4 November 2021)	4	4	4	4
Simon Crane (left committee 12 February 2022)	-	-	3	2
Ken MacDonald	4	4	5	5
Susan McKee	4	4	5	4
Michael Pini (resigned 27 November 2021)	-	-	3	3

**Directors' Report**  
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**Clinical Governance and Quality Committee**

The Clinical Governance and Quality Committee is chaired by Sue Scheinpflug. Other members of the committee during the financial year were Susan McKee, Colleen Clur and Alastair Sharman.

The role of this committee is to provide advice to the Board on the clinical governance, service quality and risk frameworks operating across CPL.

This committee met four times during the financial year.

**Directors' Participation in Clinical Governance and Quality Committee**

Director	2023 Meetings Eligible to Attend	2023 Meetings Attended	2022 Meetings Eligible to Attend	2022 Meetings Attended
Sue Scheinpflug (Chair)	4	4	2	2
Susan McKee	4	3	2	2
Collee Clur	4	1	2	2
Alastair Sharman (joined 16 March 2023)	1	1		

**Board Performance, Remuneration and Expenses**

None of the Directors receive remuneration in connection with the performance of their Board or committee duties. Some Directors are reimbursed from time to time in respect of out-of-pocket expenses such as travelling expenses.

**External Auditors**

The Board is of the opinion that there are no matters of which it is aware that would impair the independence of its external auditors.

The professional relationship with CPL's external auditors is service-driven. Fees are charged by the external auditors for audit services of both a statutory and regulatory nature.

The external auditors have a policy of attending all annual general meetings of CPL and being available to answer questions concerning the audit and the content of the auditor's report. The external auditors are also invited to attend relevant meetings of the Finance and Risk Committee and the Board.

**Financial Reporting**

The Chief Executive Officer has made the following certifications to the Board:

- CPL's financial reports are founded on a sound system of risk management and internal compliance and control which implements the policies adopted by the Board; and
- actual results are reported against budgets approved by the Directors at each Board meeting.

**Risk Management - Overview of Risk Management System**

The Board oversees the establishment, implementation and regular review of CPL's Risk Management System. The executive management team has been given the responsibility of the Risk Management System for assessing, monitoring and managing operational, financial and compliance risks for CPL.

The operational and other risk management compliance and controls have also been assessed and found to be operating efficiently and effectively.

**Directors' Report**  
**For the Year Ended 30 June 2023**

**Risk Profile and Monitoring System**

The Finance and Risk Committee reports to the Board on a regular basis on the status of identified risks through integrated risk management programs aimed at ensuring risks are identified, assessed and properly managed.

Each service region and business operational unit is responsible and accountable for implementing and managing the standards required by the program.

Major risks arise from such matters as government policy changes, client and staff safety, welfare and wellbeing, service environment, work health and safety, property matters, financial reporting and the purchase, development and use of information systems.

**Risk Management and Compliance and Control**

CPL strives to ensure that its products and service delivery are of the highest standard. CPL is currently certified as a Quality Assured organisation under the National Standards for Disability Services (NSDS). Compliance along with the expenditure required by Government regulation, in way of mandatory external audits considering client services, site management and human resource management is currently managed and controlled by CPL through oversight of a robust internal audit schedule.

The Board is responsible for the overall internal control framework but recognises that no cost-effective internal control system will preclude all errors and irregularities. CPL's internal compliance and control systems include:

- service region and operating unit controls which are required to comply with financial controls and procedures including information system controls detailed in procedure manuals;
- functional specialty reporting – key areas such as property projects, financial operations and marketing and fundraising initiatives are provided as required; and
- investment appraisal where guidelines for capital expenditure, levels of authority and project assessment are used.

In addition, policies and practices have been established to ensure that:

- financial exposures are controlled;
- capital expenditure above a certain limit obtains prior Board approval;
- work health and safety standards are monitored and regularly reviewed to achieve high standards of performance and compliance with regulations;
- there is a centralised system for recording and monitoring all incidents;
- business transactions are properly authorised and executed;
- there is environmental regulation compliance scanning;
- the quality and integrity of personnel are identified and maintained; and
- there is financial reporting accuracy and compliance with the financial reporting regulatory framework.

**Workplace Health and Safety**

The Chief Executive Officer is responsible for ensuring the ongoing employee awareness of health and safety issues in the workplace. Over the past eight years, significant emphasis has been placed on educating staff, clients and their families on the importance of complying with directives relating to workplace health and safety, such as correct lifting procedures. The Board and the executive management team monitor employee safety statistics, review work practices and receive reports on the results of incident investigations throughout the financial year.

This risk is addressed through contractual arrangements and CPL's quality assurance process.

**Directors' Report**  
**For the Year Ended 30 June 2023**

**Ethical Standards**

All Directors, managers and employees of CPL are expected to act with integrity and objectivity, striving at all times to enhance the reputation and performance of CPL. Every employee has a nominated supervisor to whom they may refer any issues arising from their employment. Every employee agrees through their employment contract to abide by CPL's Code of Conduct.

**CPL's Code of Conduct**

CPL has a policy that all Directors, managers and employees must comply with the Code of Conduct. This policy addresses the following:

- aligning the behaviour of the Board, management and employees with the code of conduct by maintaining appropriate core organisation values and objectives;
- fulfilling responsibilities to clients, customers and consumers by maintaining high standards of service delivery;
- usefulness of financial information by maintaining integrity of data, appropriate accounting policies, practice and disclosure;
- maintaining employment policies and practices such as work health and safety, equal employment opportunities and community activities;
- dispute resolution;
- conflicts of interest;
- responsibilities to the individual client, such as privacy and the use of confidential information;
- confidentiality of corporate information;
- compliance with relevant standards and legislation;
- fair dealing;
- the reporting of unethical behaviour; and
- the protection and proper use of CPL's assets.

**Quality and Integrity of Personnel**

A structured appraisal process is in place requiring appraisals be conducted regularly for all employees. Training and development opportunities and appropriate remuneration with regular performance reviews create an environment of cooperation and constructive dialogue between employees and senior management.

**Environmental Regulation**

CPL's operations do not pose any significant risk under either Commonwealth or State environmental legislation. However, the Board believes CPL has adequate systems in place for the management of its environmental obligations and is not aware of any breach of environmental requirements as they apply to CPL.

**Members**

As at 30 June 2023, there were 162 members of CPL (2022: 162 members).

CPL is registered as a charity with the Australian Charities and Not-for-profits Commission (ACNC). In the event of CPL being wound up, the liability of each of the members is limited to \$20. As at 30 June 2023, the total liability for membership in the event that CPL is wound up and unable to pay debts would be \$3,240 (2022: \$3,240).

**Directors' Report**  
**For the Year Ended 30 June 2023**

**Principal Activity**

CPL is a leading provider of integrated support, therapy and advice for people living with a disability and their families. We work with our clients at every stage of their lives. We deliver the very best support, guidance, technology and understanding possible, so people can achieve the things that matter the most to them. We know that given the right opportunities, people can grow beyond expectations and create amazing lives. It's why we refuse to compromise in chasing the best lives for our clients, and ourselves. No significant change in that activity has taken place during the financial year.

**Review and Results of Operations**

The loss for the financial year for the consolidated financial statements, as shown in the Statement of Profit or Loss and Other Comprehensive Income was \$14,220,721 (2022: profit \$2,085,265). The loss this financial year was due to several factors. During the year CPL moved away from its Enterprise Agreement and transitioned to the relevant Parent Awards. This has materially increased employee expenses (approximately \$10m per year) due to different provisions under the Parent Awards compared to the previous Enterprise Agreement. It also required a \$1m increase to the Annual Leave Provision due to Leave Loading now applying to the majority of CPL employees which was not the case under the Enterprise Agreement. CPL Management and Board are working hard to align expenditure and revenue to bring CPL back to a break-even position within the next financial year.

CPL operates in a complex and challenging environment, which includes regulated (set) pricing. While the regulated pricing makes assumptions about the cost base of organisations, CPLs commitment to areas such as quality, practice governance, risk management and staff training requires investment of funds which are not reflected in the regulated price. This continues to impact CPLs financial result.

CPL have also identified a trend in the sector for client plans to be either rolled over without assessment of clients changing needs, or actually reducing the size of the client plans. CPLs commitment to its clients means that CPL bears the financial impact of those changes while it engages with key stakeholders to rectify. This can take many months and also continues to impact CPLs financial result.

The loss was also due to the rectification of the pay discrepancy for employees under the Enterprise Bargaining Agreement for Cootharinga.

**Dividends**

CPL and its controlled entities are prohibited by their constitutions from paying dividends to their members.

**State of Affairs**

In the opinion of the Directors, there were no significant changes in the state of affairs of CPL that occurred during the financial year under review not otherwise disclosed in this report or the financial statements.

**Events Subsequent to the End of Financial Year**

The Directors advise that there has not arisen, in the interval between the end of the financial year and the date of this report, any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors, to affect the operations or state of affairs of CPL and its controlled entities.

**Likely Developments**

CPL will continue to look for further opportunities in the competitive market created by the NDIS. CPL continues to look to work with other specialist providers where opportunities for partnership and collaboration are identified, which furthers the purpose and objects of CPL.

**Directors' Report**  
**For the Year Ended 30 June 2023**

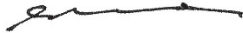
**Non-Audit Services**

As required, Crowe Audit Australia, CPL's auditor, performs certain other services in addition to the audit of the financial statements. Details of the amounts paid to Crowe Audit Australia and non-audit services provided during the financial year are set out in Note 16 to the financial statements.

**Lead Auditor's Independence Declaration**

The Lead Auditors' Independence Declaration is set out on page 17 and forms part of the Directors' Report for the financial year.

Signed on behalf of the Board and in accordance with a resolution of the Directors on 14 October 2023.



**Simon Crane**  
**Chair**  
**CPL - Choice, Passion, Life**

Brisbane  
14 October 2023



## Auditor's Independence Declaration

As an auditor of CPL – Choice, Passion, Life (the Company) and its controlled entities (the Group), for the year ended 30 June 2023, I declare that, to the best of my knowledge and belief, there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.

The declaration is in respect of the Group during the year.



**Crowe Audit Australia**



**John Zabala** FCA  
Partner

14 October 2023  
Brisbane

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*Liability limited by a scheme approved under Professional Standards Legislation.*

*The title 'Partner' conveys that the person is a senior member within their respective division and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is external audit, conducted via the Crowe Australasia external audit division and Unison SMSF Audit. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.*

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**CPL – Choice, Passion, Life**  
**(ABN 27 009 942 269)**

**Statement of Profit or Loss and Other Comprehensive Income**  
**For the Year Ended 30 June 2023**

	Note	2023 \$	2022 Restated \$
<b>Revenue</b>	4	221,570,009	228,586,416
Gain / (Loss) on Sale of Assets		-	(213,172)
Gain / (Loss) on Sale of Financial Assets		-	20,044
Unrealised (Loss) / Gain on Financial Assets		992,852	(1,810,279)
Advertising and Promotion		(1,090,433)	(1,212,998)
Client Related Expenses		(440,903)	(1,530,519)
Computer Expenses		(4,072,639)	(3,462,838)
Cost of Sales		(145,622)	(163,938)
Depreciation and Amortisation	5	(9,269,575)	(9,314,124)
Employee Expenses		(199,328,742)	(190,592,070)
Finance Expenses	5	(2,081,043)	(954,736)
General Contracts		(1,409,581)	(309,827)
Impairment		(100,194)	(300,000)
Motor Vehicle Expenses		(2,195,792)	(1,885,845)
Occupancy Costs		(4,058,230)	(3,712,668)
Other Expenses		(4,542,290)	(3,309,015)
Program Costs		(121,394)	(195,057)
Telephones and Data Communication		(2,572,523)	(2,960,461)
Printing and Office Supplies		(1,225,707)	(925,904)
Recruitment and Training		(666,290)	(931,669)
Repairs and Maintenance		(2,636,448)	(2,925,009)
Travel Expenses		(826,176)	(841,113)
<b>Total Expenditure</b>		<b>(236,783,582)</b>	<b>(225,527,791)</b>
<b>Surplus / (Loss) for the Year</b>		<b>(14,220,721)</b>	<b>1,055,218</b>
Reversal of Fair Value adjustments in prior years		-	1,037,046
<b>Total Comprehensive Income for the Year</b>		<b>(14,220,721)</b>	<b>2,092,264</b>

The accompanying notes numbered 1 to 21 form part of these consolidated financial statements.

**CPL – Choice, Passion, Life**  
**(ABN 27 009 942 269)**

**Statement of Financial Position**  
**For the Year Ending 30 June 2023**

	Note	2023 \$	2022 Restated \$	Restated 1 July 2021 \$
<b>CURRENT ASSETS</b>				
Cash and Cash Equivalents	6	27,065,087	33,804,128	35,988,392
Trade and Other Receivables	7	13,363,554	16,434,187	11,597,846
Investment in Managed Portfolios		18,447,176	16,853,824	18,285,616
Other Current Asset		3,489,640	3,000,188	3,171,722
<b>TOTAL CURRENT ASSETS</b>		<b>62,365,456</b>	<b>70,092,327</b>	<b>69,043,577</b>
<b>NON-CURRENT ASSETS</b>				
Investment in Managed Portfolios		-	-	490,226
Property, Plant and Equipment	8	22,904,261	24,972,658	24,311,192
Intangible Assets		-	52	178,591
Right of Use Assets	9	22,454,784	23,839,527	24,004,942
<b>TOTAL NON-CURRENT ASSETS</b>		<b>45,359,045</b>	<b>48,812,237</b>	<b>48,984,951</b>
<b>TOTAL ASSETS</b>		<b>107,724,501</b>	<b>118,904,564</b>	<b>118,028,527</b>
<b>CURRENT LIABILITIES</b>				
Trade and Other Payables	10	21,438,378	18,230,094	17,374,607
Employee Benefits - Long Service Leave		4,336,717	4,452,393	3,290,405
Employee Benefits - Sleepover Leave		370,268	-	-
Provisions		1,091,500	974,689	932,597
Lease Liability	9	5,219,124	6,002,150	5,129,513
Interest-bearing Liabilities	11	1,568,318	1,258,926	1,602,818
Contract Liabilities and Funding Held in Trust	12	8,775,529	8,253,998	9,639,689
<b>TOTAL CURRENT LIABILITIES</b>		<b>42,799,833</b>	<b>39,172,250</b>	<b>37,969,628</b>
<b>NON-CURRENT LIABILITIES</b>				
Employee Benefits - Long Service Leave		3,847,528	4,126,723	4,080,059
Interest-bearing Liabilities	11	139,586	199,184	1,623,874
Lease Liability	9	19,103,457	19,351,587	20,309,414
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>23,090,571</b>	<b>23,677,495</b>	<b>26,013,347</b>
<b>TOTAL LIABILITIES</b>		<b>65,890,404</b>	<b>62,849,744</b>	<b>63,982,975</b>
<b>NET ASSETS</b>		<b>41,834,098</b>	<b>56,054,819</b>	<b>54,045,552</b>
<b>EQUITY</b>				
Accumulated Funds		41,834,098	56,054,819	53,826,761
Reserves		-	-	218,792
<b>TOTAL EQUITY</b>		<b>41,834,098</b>	<b>56,054,819</b>	<b>54,045,552</b>

The accompanying notes numbered 1 to 21 form part of these consolidated financial statements.

**CPL – Choice, Passion, Life**  
**(ABN 27 009 942 269)**

**Statement of Changes in Equity**  
**As at 30 June 2023**

	Retained Profit	Reserves	Total
	\$	\$	\$
<b>Balance as at 1 July 2021</b>	<b>54,875,761</b>	<b>218,792</b>	<b>55,094,554</b>
Adjustment due to error in Property Plant and Equipment	(1,132,000)	-	(1,132,000)
<b>Adjusted Opening Balance</b>	<b>53,743,761</b>	<b>218,792</b>	<b>53,962,554</b>
<b>Total Comprehensive Income:</b>			
Surplus for the Year	1,055,218	-	1,055,218
Other Comprehensive Income for the Year	1,037,046	-	1,037,046
Transfers to Retained Profits	218,792	(218,792)	-
<b>Balance as at 30 June 2022</b>	<b>56,054,819</b>	<b>-</b>	<b>56,054,819</b>
<b>Balance as at 1 July 2022</b>	<b>56,054,819</b>	<b>-</b>	<b>56,054,819</b>
<b>Total Comprehensive Income:</b>			
Loss for the Year	(14,220,721)	-	(14,220,721)
Other Comprehensive Income for the Year	-	-	-
<b>Balance as at 30 June 2023</b>	<b>41,834,098</b>	<b>-</b>	<b>41,834,098</b>

The accompanying notes numbered 1 to 21 form part of these aggregated consolidated statements.

**CPL – Choice, Passion, Life**  
**(ABN 27 009 942 269)**

**Statement of Cash Flows**  
**For the Year Ended 30 June 2023**

	<b>2023</b>	<b>2022</b>
	<b>Inflows</b>	<b>Inflows</b>
	<b>(Outflows)</b>	<b>(Outflows)</b>
	<b>\$</b>	<b>\$</b>
<b>Cash Flows from Operating Activities</b>		
Receipts from Government and Customers	224,779,044	219,722,308
GST (Paid) / Collected	159,141	(198,153)
<b>Cash Receipts in the Course of Operations</b>	<b>224,938,185</b>	<b>219,524,155</b>
Payments to Employees and Suppliers	(219,880,435)	(207,741,754)
Interest Paid	(2,081,043)	(954,736)
<b>Cash Payments in the Course of Operations</b>	<b>(221,961,478)</b>	<b>(208,696,490)</b>
<b>Net Cash from / (Used in) Operating Activities</b>	<b>2,976,707</b>	<b>10,827,666</b>
<b>Cash Flows from Investing Activities</b>		
Acquisition of Property, Plant and Equipment	(649,101)	(3,239,237)
Acquisition of Intangible Assets	0	(0)
Proceeds from Sale of Other Non-current Assets	-	2,100
Acquisition of Investments	(2,692,491)	(5,918,519)
Proceeds on Sale of Investments	591,702	5,055,041
Interest and Dividends Received	1,349,897	557,458
<b>Net Cash Used in Investing Activities</b>	<b>(1,399,994)</b>	<b>(3,543,157)</b>
<b>Cash Flows from Financing Activities</b>		
Proceeds from Borrowings	5,191,282	4,903,616
Repayment of Borrowings	(6,585,138)	(6,285,469)
Lease Payments	(6,921,898)	(8,086,920)
<b>Net Cash from / (used in) Financing Activities</b>	<b>(8,315,754)</b>	<b>(9,468,773)</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents</b>	<b>(6,739,041)</b>	<b>(2,184,265)</b>
Cash and Cash Equivalents at the Beginning of the Year	33,804,128	35,988,393
<b>Cash and Cash Equivalents at the End of the Year</b>	<b>27,065,087</b>	<b>33,804,128</b>

The accompanying notes numbered 1 to 21 form part of these consolidated financial statements.

**Notes to the Consolidated Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 1            REPORTING ENTITY**

The financial statements cover CPL - Choice, Passion, Life (the parent) as a consolidated entity consisting of CPL – Choice, Passion, Life (CPL) and the entities it controlled at the end of, or during, the year. The financial statements are presented in Australian dollars, which is CPL’s functional and presentation currency.

CPL – Choice, Passion, Life is a company limited by guarantee and domiciled in Australia. At balance date, the address of CPL's registered office is Level 2, 340 Adelaide Street, Brisbane, Queensland.

CPL is a not-for-profit entity that provides quality services and support, which will enable and empower people with disabilities to create and access opportunities to lead valued lives as respected and equal members of society within their family and community. A summary of the significant accounting policies used in the preparation of this report is contained below.

**NOTE 2            BASIS OF PREPARATION**

**Parent Entity Information**

In accordance with the *Australian Charities Not-for-profits Commission Act 2012*, these financial statements present the results of the consolidated entity only. The independent audited financial statements of the parent entity are available to members without charge upon request.

**Principles of Consolidation**

The consolidated financial statements incorporate all of the assets, liabilities and results of the parent (CPL) and all the subsidiaries (herein referred to as ‘the Group’). Subsidiaries are entities the parent controls. The parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the Group from the date on which control is obtained by the Group. The consolidated of a subsidiary is discontinued from the date that control ceases. Intercompany transactions, balances and unrealised gains or losses on transactions between Group entities are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity on the accounting policies adopted by the Group.

**Cootharinga North Queensland (Cootharinga)**

On 10 March 2020, the members of Cootharinga North Queensland (Cootharinga) voted in favour of CPL being its sole member. This change took effect from 01 July 2020. Cootharinga work with people with disabilities across North Queensland and have been in operation since 1951. CPL – Choice, Passion, Life (CPL) are the sole member of Cootharinga.

**Access Arts (CPL) Limited**

Access Arts (CPL) Limited (AACPL) work with people with disability and disadvantage, in the arts. CPL has entered into a service agreement with AACPL to provide services to assist with delivering their funded activities. CPL are the sole member of Access Arts.

**Notes to the Consolidated Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 2 BASIS OF PREPARATION (Continued)**

The consolidated financial statements were approved by the Board of Directors on 14 October 2023.

The consolidated financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards – Simplified Disclosures made by the Australian Accounting Standards Board (AASB) and the requirements of the *Australian Charities Not-for-profits Commission Act 2012*.

The consolidated financial statements have been prepared on a going concern basis which contemplates the realisation of assets and liabilities in the ordinary course of business.

The consolidated financial statements are presented in Australian dollars and prepared on the historical cost basis except investments which are stated at their fair value.

**Use of Estimates and Judgements**

The preparation of aggregate financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements is included in the following notes:

Note 3 (a)	Trade and other receivables - expected credit loss
Note 3 (e)	Property, plant and equipment: Useful life of property, plant and equipment
Note 3 (f)	Impairment
Note 3 (h)	Employee benefits

**New, Revised or Amended Accounting Standards and Interpretations Adopted**

The CPL group of entities have adopted all new, revised or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are mandatory for the current reporting period.

**NOTE 3 SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

**a) Trade and Other Receivables**

Trade Receivables are requested to be settled within 30 days and are carried at amounts due. The collectability of receivables is assessed at balance date and as a result, trade and other receivables are stated at their amortised cost less impairment losses. Any bad debts are written off in accordance with delegated authorities which have been approved by the Board.

**Notes to the Consolidated Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 3            SIGNIFICANT ACCOUNTING POLICIES (Continued)**

The Group measures the loss allowance for trade receivables at an amount equal to the lifetime expected credit loss (ECL). The ECL is calculated based on the collectability history of individual debtors and an analysis of debtor's current financial position, which is subsequently adjusted for general economic conditions and an assessment of both the current and forecast direction of conditions at reporting date. The ongoing impact of COVID-19 has been included as part of the assessment of the assumptions used in the ECL calculation.

**b) Revenue and Other Income**

To determine whether to recognise revenue, an assessment following a 5-step process is performed:

1. Identifying the contract with a customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to the performance obligations
5. Recognising revenue when/as performance obligation(s) are satisfied.

Revenue is recognised either at a point in time or over time, when (or as) the performance obligations are met by transferring the promised goods or services to its customers.

Revenue received in advance is noted as Contract Liabilities on the Statement of Financial Position.

**i)            Government Grants**

Where the grant is enforceable and contains sufficiently specific performance obligations for the Group to transfer goods or services to a third-party, the transaction is accounted for under AASB 15 Revenue from Contracts with Customers. Revenue is initially deferred and recognised as or when the performance obligations are satisfied.

Otherwise, the grant or contribution is accounted for under AASB 1058 Income of Not-for-Profit Entities, whereby revenue is recognised upon receipt of the funding, except for special purpose capital grants received to construct non-financial assets to be controlled by the Group. Special purpose capital grants are recognised as contract liabilities, and subsequently recognised progressively as revenue as the Group satisfies its obligations under the grant through construction of the asset.

**ii)           Sale of Goods**

Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

**iii)          Rental Income**

Rental income is recognised on a straight-line basis for the Group's properties which are held to provide social services.

**iv)          Finance Income**

Finance income comprises interest on funds invested and dividend income. Interest income is recognised in the profit or loss as it accrues, using the effective interest method. Dividend income is recognised on the date of receipt of the dividend.

**v)           Fee for Service Income (including NDIS)**

Revenue from a contract to provide services is recognised over time as the performance obligations are met. Revenue is recognised either on a fixed price or an hourly rate.



**Notes to the Consolidated Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 3            SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**c) Goods and Services Tax**

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO). In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of GST. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the Statement of Financial Position.

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

**d) Cash and Cash Equivalents**

Cash and cash equivalents comprise cash on hand, cash at bank and short-term deposits with original terms of 90 days or less.

**e) Property, Plant and Equipment**

Items of property, plant and equipment are initially recorded at cost of acquisition at the date of acquisition. Costs incurred on assets subsequent to initial acquisition are capitalised when it is probable that future economic benefits in excess of the originally assessed performance of the asset will flow to CPL in the future. Otherwise, the costs are expensed as incurred.

Items of property, plant and equipment, including buildings and leasehold property but excluding freehold land, are depreciated over their estimated useful lives. Assets are depreciated from the date they are put into use and the straight-line method of depreciation is used in all cases. The depreciation rates used for each class of asset for this financial year and the previous financial year are as follows:

- Buildings and Leasehold Improvements	- 3% to 25%
- Furniture and Equipment	- 20% to 33%
- Motor Vehicles	- 20% to 33%
- Right of Use Assets	- 8% to 50%

**Notes to the Consolidated Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 3          SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**f) Impairment**

**i) Financial Assets**

The Group recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the entity's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets mandatorily measured at fair value through other comprehensive income, the loss allowance is recognised in other comprehensive income with a corresponding expense through profit or loss. In all other cases, the loss allowance reduces the asset's carrying value with a corresponding expense through profit or loss.

**ii) Non-financial Assets**

The carrying amounts of the Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use. Since the Group is a not-for-profit entity, future economic benefits of its assets are not primarily dependent on those assets' ability to generate net cash inflows. The Group would, if deprived of those assets, replace their remaining future economic benefits. Consequently, the value in use is determined as the depreciated replacement cost of the assets.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the Statement of Profit or Loss and Other Comprehensive Income.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

**Notes to the Consolidated Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 3            SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**g) Trade and Other Payables**

Trade and other payables are stated at their amortised cost. Trade payables are non-interest bearing and are normally settled within 30 days. The provisions for annual leave and ex-gratia leave represent the amount which the Group has a present obligation to pay resulting from employees' services provided up to reporting date. The provisions have been calculated at undiscounted amounts based on remuneration, wage and salary rates that CPL expects to pay as at reporting date including related on-costs.

**h) Employee Benefits**

Effective from 01 January 2021, the Queensland Government introduced a portable long service leave (PLSL) scheme (the scheme) for community service organisations in Queensland. Each quarter, the Group pays a levy (1.35%) to QLeave based on ordinary wages for eligible employees to contribute to the scheme. As employees take long service leave, the Group are able to recoup the costs from QLeave. The scheme is not retrospective and the long service leave accruals up to 31 December 2020 have continued to be shown as a provision. The scheme only relates to employees in Queensland and those deemed to support the provision of community services. The provision for employee benefits is now calculated based on two methods, accruals up to 31 December 2020 and accruals from 01 January 2021.

For provisions up to 31 December 2020 and for the employees not included in the scheme, the provision for employee benefits to long service leave represents the present value of the estimated future cash outflows to be made resulting from employees' services provided to reporting date. Provisions for employee benefits which are not expected to be settled within twelve months are discounted at reporting date at a rate which most closely matches the terms of maturity of the related liabilities. In determining the provision for employee benefits, consideration has been given to future increases in wage and salary rates, and the Group's experience with staff departures. Related on-costs have also been included in the liability.

**i) Superannuation Fund**

Contributions to defined contribution superannuation funds were made by the Group based on 10.5% (2022: 10%) of the taxable salary component for all eligible employees in accordance with the requirements of the superannuation guarantee legislation. Contributions are recognised as an expense as they are made.

**j) Income Tax**

No income tax is payable by the Group as section 50-5 of the *Income Tax Assessment Act 1997* exempts recognised Charitable Institutions from income tax. The Group also retains its Public Benevolent Institution status with the ACNC.

**k) Volunteer Workers**

No monetary value has been attributed to the valuable services provided by the Group's many volunteer workers.

**Notes to the Consolidated Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 3            SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**l) Financial Assets**

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. The Group initially measures a financial asset at fair value plus transaction costs except for instruments measure at fair value through profit or loss where transactions costs are expensed as incurred.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the entity has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

The Investments in Managed Portfolios are measured at quoted market values at the end of the reporting period to determine the value of the instruments.

**m) Intangible Assets**

Intangible assets represent the cumulative cost of information technology projects capitalised by the Group. Intangible assets are amortised from the date of acquisition and the straight-line method of amortisation is used. The amortisation rate used for this class of asset for this financial year and the previous financial year is 33%.

**n) Right of Use Assets**

The Group recognises right of use assets at the commencement date of the lease and are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

**o) Lease Liabilities**

An assessment at the inception of a contract is performed to determine whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

This involves an assessment of whether:

- The contract involves the use of an identified asset – this may be explicitly or implicitly identified within the agreement. If the supplier has a substantive substitution right, then there is no identified asset.
- CPL has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use.
- CPL has the right to direct the use of the asset. That is, decision making rights in relation to changing how and for what purpose the asset is used.

**Notes to the Consolidated Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 3            SIGNIFICANT ACCOUNTING POLICIES (Continued)**

The non-lease components included in lease agreements have been separated and are recognised as an expense as incurred.

Lease liabilities are initially measured at the present value of the remaining lease payments at the commencement of a lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Group’s incremental borrowing rate is used.

A single recognition and measurement approach for all leases is used, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right of use assets representing the right to use the underlying assets.

**p) Comparative Figures**

Comparative information for the previous year is used except as noted. Where appropriate, information is provided to explain differences between the previously disclosed values and the newly stated values.

**NOTE 4            REVENUE**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Revenue from Contracts for Provision of Service (AASB 15)		
- NDIS Services	172,067,018	174,116,439
- Government Grants	40,171,549	41,711,642
- Fee for Service	2,997,519	4,210,646
- Rental Revenue	839,480	2,502,245
- National Injury Insurance Scheme Queensland	536,328	413,879
<b>Total Revenue from Contracts for Provision of Service</b>	<b>216,611,894</b>	<b>222,954,851</b>
Revenue Recognised on Receipt (not enforceable or no sufficiently specific performance obligations - AASB 1058)		
- Fundraising Revenue	1,147,726	1,648,057
- Interest Revenue	939,682	126,144
- Dividend Revenue	410,215	431,314
- Sundry Revenue	2,460,492	3,426,050
<b>Total Revenue Recognised on Receipt</b>	<b>4,958,115</b>	<b>5,631,565</b>
<b>Total Revenue</b>	<b>221,570,009</b>	<b>228,586,416</b>

**Notes to the Consolidated Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 4 REVENUE (Continued)**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>Government Grants</b>		
<i>Commonwealth:</i>		
Department of Employment (Wage Subsidy)	622,166	845,752
Department of Health Commonwealth	12,130,149	8,824,317
Department of Social Services (DES)	24,885,137	27,976,703
Department of Social Services (Workplace Modifications)	236,242	47,954
Department of Prime Minister and Cabinet	28,418	100,000
<i>State:</i>		
Department of Communities	785,608	1,343,266
Department of Employment, Small Business and Training	-	239,620
Department of Children, Youth Justice & Multicultural Affairs	-	463,756
Arts Queensland	350,000	349,000
Parenting Research Centre	-	300,020
Other Grants Revenue	1,133,828	1,221,254
<b>Total Government Grants</b>	<b>40,171,549</b>	<b>41,711,642</b>

**NOTE 5 OPERATING RESULT**

	<b>Note</b>	<b>2023</b>	<b>2022</b>
		<b>\$</b>	<b>\$</b>
<b>Finance Expenses</b>			
Interest Expenses - Leasing		1,992,074	902,418
Other Finance Expenses		88,969	52,318
<b>Total Finance Expenses</b>		<b>2,081,043</b>	<b>954,736</b>
<b>Net Expense including Movement in Provision for:</b>			
Make Good Provision for Leased Properties		183,836	181,689
<b>Depreciation and Amortisation</b>			
Depreciation	8	3,024,534	2,877,734
Amortisation		52	178,539
Amortisation - Right of Use Asset	9	6,244,988	6,257,850
<b>Total Depreciation and Amortisation</b>		<b>9,269,575</b>	<b>9,314,123</b>

**CPL – Choice, Passion, Life**  
**(ABN 27 009 942 269)**

**Notes to the Consolidated Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 6 CASH AND CASH EQUIVALENTS**

	<b>2023</b>	<b>2022</b>
	\$	\$
Cash at Bank and On Hand	3,585,618	4,023,756
Bank Short Term Deposits	23,479,469	29,780,372
<b>Total Cash and Cash Equivalents</b>	<b>27,065,087</b>	<b>33,804,128</b>

**NOTE 7 TRADE AND OTHER RECEIVABLES**

	\$	\$
Trade Debtors	7,842,110	4,260,554
Less : Impairment of Receivables	(1,266,304)	(524,265)
	<b>6,575,807</b>	<b>3,736,288</b>
Levies Receivable	4,131,713	9,304,902
Other Receivable	2,656,034	3,392,996
<b>Total Trade and Other Receivables</b>	<b>13,363,554</b>	<b>16,434,187</b>

**CPL – Choice, Passion, Life**  
**(ABN 27 009 942 269)**

**Notes to the Consolidated Financial Statements**  
**For the Year Ended 30 June 2023**

<b>NOTE 8</b>	<b>PROPERTY, PLANT AND EQUIPMENT</b>	<b>2023</b>	<b>2022 Restated</b>
		<b>\$</b>	<b>\$</b>
	<b>Land Held for Operating Purposes</b>		
	CPL At Cost	858,196	858,196
	Subsidiary at Cost	3,685,000	3,685,000
	<b>Total Land Held for Operating Purposes</b>	<b>4,543,196</b>	<b>4,543,197</b>
	<b>Building and Leasehold Improvements</b>		
	CPL At Cost	21,186,254	20,942,259
	Subsidiary at Cost including previous Fair Value Impairment	8,281,324	10,195,560
	<i>Less: Accumulated Depreciation</i>	<i>(13,786,898)</i>	<i>(13,956,109)</i>
	<b>Total Building and Leasehold Improvements</b>	<b>15,680,679</b>	<b>17,181,709</b>
	<b>Total Land, Building and Leasehold Improvements</b>	<b>20,223,876</b>	<b>21,724,906</b>
	<b>Motor Vehicles</b>		
	At Cost	1,048,254	2,187,233
	<i>Less: Accumulated Depreciation</i>	<i>(714,637)</i>	<i>(1,707,831)</i>
	<b>Total Motor Vehicles</b>	<b>333,617</b>	<b>479,402</b>
	<b>Furniture and Equipment</b>		
	At Cost	9,161,247	11,145,357
	<i>Less: Accumulated Depreciation</i>	<i>(6,814,479)</i>	<i>(8,377,007)</i>
	<b>Total Furniture and Equipment</b>	<b>2,346,768</b>	<b>2,768,349</b>
	<b>TOTAL PROPERTY, PLANT AND EQUIPMENT</b>	<b>22,904,261</b>	<b>24,972,657</b>



**Notes to the Consolidated Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 8      PROPERTY, PLANT AND EQUIPMENT (Continued)**

**Reconciliations**

Reconciliation of the carrying amounts of each class of property, plant and equipment are set out below:

	<b>2023</b>
	<b>\$</b>
<b>Land Held for Operating Purposes</b>	
Carrying Amount at Beginning of Year	4,543,196
Disposals	-
<b>Carrying Amount at End of Year</b>	<b>4,543,196</b>
<b>Building and Leasehold Improvements</b>	
Carrying Amount at Beginning of Year	17,181,709
Additions	451,884
Disposals	2,843
Depreciation	(1,817,232)
Transfers and Adjustments	(138,525)
Impairment of Buildings at Cost	-
<b>Carrying Amount at End of Year</b>	<b>15,680,679</b>
<b>Motor Vehicles</b>	
Carrying Amount at Beginning of Year	479,402
Additions	17,239
Disposals	(22,577)
Depreciation	(140,448)
Transfers and Adjustments	-
<b>Carrying Amount at End of Year</b>	<b>333,617</b>
<b>Furniture and Equipment</b>	
Carrying Amount at Beginning of Year	2,768,350
Additions	609,786
Disposals	(103,037)
Depreciation	(1,066,855)
Transfers and Adjustments	138,525
<b>Carrying Amount at End of Year</b>	<b>2,346,769</b>
<b>Total Property Plant and Equipment</b>	<b>22,904,260</b>

Notes to the Consolidated Financial Statements  
For the Year Ended 30 June 2023

**NOTE 8 PROPERTY, PLANT AND EQUIPMENT (Continued)**

The Directors undertake an annual assessment of land and buildings to ensure any impairment is recognised. The assessment for the 2023 year resulted in no impairment (2022: \$300,000).

**Government Interest in Land and Buildings**

The State Government holds an interest in CPL's Southport and Toowoomba buildings until September 2029, for which they have previously made grants to assist in development of these properties. The Directors understand that it is not the present intention of the State Government to seek a refund of their interest in this asset in the event of a sale provided the funds are utilised in a way approved by them. It is the Directors' intention that such funds be utilised in a way approved by the State Government.

The State Government holds a Deed of Grant in Trust over the land where CPL's Redcliff service is located. This specifies the purpose for which the land must be used, which is in line with CPL's services, and does not allow for the land to be sold. Only the building at this site is recognised as an asset in CPL's Property Plant and Equipment.

The State Government holds a registered mortgage over Cootharinga properties in which it has provided capital funding. The quantity of the registered mortgage is limited to the amount of capital funding provided or the market value of the property. The registered mortgage will be removed at the end of the term (ordinarily 20 years from commencement). It is not expected that these funds will be returned by the company to the State Government as this will only be triggered if the company no longer utilises the property for its intended purposes.

**NOTE 9 RIGHT OF USE ASSETS AND LEASE LIABILITIES**

	<b>2023</b>	<b>2022</b>
	\$	\$
<b>Properties, Equipment and Vehicle Fleet</b>		
At Cost	45,039,835	41,523,857
Less: Accumulated Amortisation	(22,585,050)	(17,684,330)
<b>Total Right of Use Assets</b>	<b>22,454,785</b>	<b>23,839,527</b>

**Notes to the Consolidated Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 9 RIGHT OF USE ASSETS AND LEASE LIABILITIES (Continued)**

**Reconciliations**

Reconciliation of the carrying amounts of each class of right of use assets is set out below:

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>Properties</b>		
Carrying Amount at Beginning of Year	18,830,682	20,103,693
Re-assessments During the Period	1,876,435	2,482,537
Additions	289,133	307,889
Disposals	-	(18,377)
Amortisation	(3,914,464)	(4,045,060)
<b>Carrying Amount at End of Year</b>	<b>17,081,786</b>	<b>18,830,682</b>
<b>Equipment</b>		
Carrying Amount at Beginning of Year	43,021	-
Re-assessments During the Period	-	-
Additions	-	51,625
Amortisation	(25,812)	(8,604)
<b>Carrying Amount at End of Year</b>	<b>17,209</b>	<b>43,021</b>
<b>Fleet Vehicles</b>		
Carrying Amount at Beginning of Year	4,965,824	4,241,799
Re-assessments During the Period	1,324,300	1,985,310
Additions	1,370,379	949,509
Disposals	-	(6,608)
Amortisation	(2,304,712)	(2,204,186)
<b>Carrying Amount at End of Year</b>	<b>5,355,790</b>	<b>4,965,824</b>
<b>Total Right of Use Assets</b>	<b>22,454,784</b>	<b>23,839,527</b>
<b>Lease Liabilities</b>		
	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Current Lease Liability	5,219,124	6,002,150
Non-Current Lease Liability	19,103,457	19,351,587
<b>Total Lease Liability</b>	<b>24,322,581</b>	<b>25,353,737</b>

**Notes to the Consolidated Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 9 RIGHT OF USE ASSETS AND LEASE LIABILITIES (Continued)**

**Lease Liabilities (Continued)**

The maturity analysis of lease liabilities based on contractual undiscounted cash flows is shown in the table below:

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Future Lease Payments are due as follows:		
Within One Year	6,302,829	7,089,916
One to Five Years	15,032,719	17,633,047
More than Five Years	4,166,105	3,067,154
<b>Total Lease Liabilities</b>	<b>25,501,653</b>	<b>27,790,117</b>

**NOTE 10 TRADE AND OTHER PAYABLES**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Trade Creditors	1,591,673	705,217
Annual Leave and Ex-Gratia Leave Accrual	9,922,668	8,793,704
Accrued Expenses	8,371,515	7,072,810
Other Creditors	1,552,522	1,658,362
<b>Total Trade and Other Payables</b>	<b>21,438,378</b>	<b>18,230,094</b>

**NOTE 11 INTEREST-BEARING LIABILITIES**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>CURRENT</b>		
Insurance Premium Finance Facility	1,508,720	1,201,562
Workcover Insurance Premium Finance Facility	-	-
Cootharinga Other Bank Loans - Current	59,598	57,364
<b>Total Current Interest Bearing Liabilities</b>	<b>1,568,318</b>	<b>1,258,926</b>
<b>NON-CURRENT</b>		
Cootharinga Bank Loans - Non-Current	139,586	199,184
<b>Total Non-Current Interest Bearing Liabilities</b>	<b>139,586</b>	<b>199,184</b>
<b>Total Interest Bearing Liabilities</b>	<b>1,707,904</b>	<b>1,458,110</b>

**Notes to the Consolidated Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 11 INTEREST-BEARING LIABILITIES (Continued)**

This insurance premium finance facility covers Insurance Premiums for the year to 30 April 2024 with a term ending 7 March 2024. The facility is repayable at \$188,590 (2022: \$127,778) per month (principal and interest). The Workcover Insurance Premium Facility repayment for 202 was \$107,217 per month (principal and interest).

**Security Over Properties**

In relation to the loans and facilities above, except where stated, Westpac Banking Corporation has fixed charges over specific properties of CPL, and the Commonwealth Bank of Australia has fixed charges over specific properties of Cootharinga.

**NOTE 12 CONTRACT LIABILITIES AND FUNDING HELD IN TRUST**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Contract Liabilities	8,775,529	8,253,998
<b>Total Contract Liabilities and Funding Held in Trust</b>	<b>8,775,529</b>	<b>8,253,998</b>

**NOTE 13 FUNDRAISING REVENUE**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Donations - General	964,551	702,049
Donations and Grants towards specific Purchases	-	225,721
Bequests	195,175	720,286
<b>Total Fundraising Revenue</b>	<b>1,159,726</b>	<b>1,648,057</b>

**NOTE 14 AUDITORS' REMUNERATION**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>Audit Services</b>		
Audit of Financial Report - Crowe Audit Australia	122,784	74,957
Other Services - Internal Audit	-	24,640
Other Services - Grant Acquittals	-	1,100
<b>Total Auditors' Remuneration</b>	<b>122,784</b>	<b>100,697</b>

**CPL – Choice, Passion, Life**  
**(ABN 27 009 942 269)**

**Notes to the Consolidated Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 15 COMPANY NAME AND MEMBERS LIABILITY**

CPL - Choice, Passion, Life is a company limited by guarantee. It is exempted under section 150 of the *Corporations Act 2001* from using the word "Limited" in its name.

The constitution limits the liability of members and states that "Each member and each person who has ceased to be a member in the preceding year undertakes to contribute to the property of the CPL for the payment of debts and liabilities of the CPL, contracted before the person ceased to be a member and payment of costs, charges and expenses of winding up; and adjustment of the rights of the contributories amongst themselves, such amount as may be required, not exceeding \$20."

**NOTE 16 RELATED PARTIES**

**Non-Executive Directors**

The names of all persons holding the position of Director of CPL - Choice, Passion, Life during the financial year are Simon Crane, Robin Grant, Sue Scheinpflug, Ken MacDonald, Susan McKee, Brendon Gibson, Colleen Clur and Alastair Sharman.

All Directors' positions are honorary, and no remuneration was paid to any Director during the financial year. Directors from country regions are reimbursed for travelling costs and accommodation.

**Key Management Personnel**

The key management personnel have authority and responsibility for planning, directing and controlling the activities of CPL. No Director of CPL receives any remuneration by virtue of them being a Director. Therefore, the amounts shown in this note refer to the remuneration paid to key management personnel who are not also Directors.

Key management personnel are defined as including all members of the Executive Leadership Team of the Group. The remuneration of these personnel is referred to as compensation as defined in AASB 124 Related Party Disclosure.

The compensation paid to key management personnel is designed to attract and retain suitably qualified candidates and on an individual basis is commensurate with the individual's capability and experience.

The aggregate compensation made to key management personnel is set out below:

	<b>2023</b>	<b>2022</b>
	\$	\$
Aggregate compensation	2,221,635	2,380,276

From time to time, Directors and other key management personnel of the Group may purchase goods on the same terms and conditions as those entered into by other employees or customers and are trivial or domestic in nature.

**Notes to the Consolidated Financial Statements**  
**For the Year Ended 30 June 2023**

**Wholly Owned Subsidiaries**

Transactions between CPL and their wholly owned subsidiaries Cootharinga and AACPL occur on a regular basis. These transactions occur on a cost basis and are reflected in the relevant entities financial statements.

CPL has provided an advance to Cootharinga of \$6,500,000 (2022: \$2,000,000). This advance is recognised as a non-current asset with terms for repayment dependent on Cootharinga’s financial performance.

**NOTE 17       EVENTS SUBSEQUENT TO REPORTING DATE**

There has not been any matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of CPL, the results of those operations, or the state of affairs of CPL in future financial years.

**NOTE 18       CONTINGENT LIABILITIES**

In the opinion of the Directors, CPL did not have any contingent liabilities at 30 June 2023.

**NOTE 19       INTERESTS IN SUBSIDIARIES**

<b>Composition of the Group</b>	<b>2023</b> <b>Percentage</b> <b>Controlled</b>	<b>2022</b> <b>Percentage</b> <b>Controlled</b>
Parent		
<i>CPL - Choice, Passion, Life</i>		
Subsidiaries		
<i>Cootharinga North Queensland</i>	100	100
<i>Access Arts (CPL) Limited</i>	100	100

**CPL – Choice, Passion, Life**  
**(ABN 27 009 942 269)**

**Notes to the Consolidated Financial Statements**  
**For the Year Ended 30 June 2023**

<b>NOTE 20</b>	<b>PARENT ENTITY</b>	<b>2023</b>	<b>2022</b>
		<b>\$</b>	<b>\$</b>
	<b>Statement of Financial Position</b>		
	Assets		
	Current assets	55,628,944	65,025,435
	Non-current assets	39,202,933	35,827,513
	<b>Total Assets</b>	<b>94,831,877</b>	<b>100,852,948</b>
	Liabilities		
	Current liabilities	38,757,653	35,049,940
	Non-current liabilities	21,664,617	22,009,120
	<b>Total Liabilities</b>	<b>60,422,270</b>	<b>57,059,060</b>
	<b>Net Assets</b>	<b>34,409,607</b>	<b>43,793,888</b>
	Equity		
	Retained earnings	34,409,607	43,793,888
	<b>Total Equity</b>	<b>34,409,607</b>	<b>43,793,888</b>
	<b>Statement of Profit or Loss and Other Comprehensive Income</b>		
	Profit/(Loss for the year)	(9,384,281)	2,062,493
	<b>Total Comprehensive Income</b>	<b>(9,384,281)</b>	<b>2,062,493</b>

**Contingent Liabilities**

The parent entity did not have any contingent liabilities as at 30 June 2023 (2022:nil)



**Notes to the Consolidated Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 21      PRIOR YEAR ERROR**

It was identified that there were two properties in Cootharinga historically recognised as Land and Buildings which they do not own. The error has been corrected and reflected in these financial statements.

The adjustment and impact is as follows:

	Original \$	Adjustment	Re-stated \$
<b>As at 1 July 2021</b>			
<b>Statement of Financial Position</b>			
Property, Plant and Equipment			
Land	4,310,000	(625,000)	3,685,000
Buildings	31,665,819	(528,000)	31,137,819
Accumulated Depreciation Buildings	(13,984,109)	21,000	(13,963,109)
<b>Total Impact to Statement of Financial Position</b>	<b>21,991,710</b>	<b>(1,132,000)</b>	<b>20,859,710</b>
Equity			
Accumulated Funds	54,875,721	(1,132,000)	53,743,721
<b>Total Impact to Equity</b>	<b>54,875,721</b>	<b>(1,132,000)</b>	<b>53,743,721</b>
<b>As at 30 June 2022</b>			
<b>Statement of Financial Position</b>			
Property, Plant and Equipment			
Accumulated Depreciation Buildings	(13,963,109)	7,000	(13,956,109)
<b>Total Impact to Statement of Financial Position</b>	<b>(13,963,109)</b>	<b>7,000</b>	<b>(13,956,109)</b>
<b>Statement of Profit or Loss</b>			
Depreciation and Amortisation	(9,321,124)	7,000	(9,314,124)
<b>Total Impact to Statement of Profit or Loss</b>	<b>(9,321,124)</b>	<b>7,000</b>	<b>(9,314,124)</b>
<b>Total Comprehensive Income for the Year</b>	<b>2,085,265</b>	<b>7,000</b>	<b>2,092,265</b>

## Directors' Declaration

In the opinion of the Directors of CPL - Choice, Passion, Life:

- a) CPL is not publicly accountable;
- b) the consolidated financial statements and notes, set out on pages 18 to 41 are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, including:
  - i) presents fairly CPL's consolidated financial position as at 30 June 2023 and of its performance, for the year ended on that date; and
  - ii) have been prepared in accordance with the policies as detailed at Note 2 on the consolidation of the audited financial reports for CPL – Choice, Passion, Life, Access Arts (CPL) Limited, and Cootharinga North Queensland, each of which were individually audited, after eliminating any inter-entity transactions and balances; and
- c) there are reasonable grounds to believe that CPL will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors on 14 October 2023:



**Simon Crane**  
**Chair**  
**CPL - Choice, Passion, Life**

Brisbane  
14 October 2023

## Independent Auditor's Report

To the Members of CPL - Choice, Passion, Life

### Opinion

We have audited the financial report of CPL – Choice, Passion, Life (the Company) and its controlled entities (the Group), which comprises the statement of financial position as at 30 June 2023, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

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

- (a) Giving a true and fair view of the Group's financial position as at 30 June 2023 and of its financial performance for the year then ended.
- (b) Complying with Australian Accounting Standards to the extent described in Note 2 to the financial report and the *Australian Charities and Not-for-profits Commission Act 2012*.

### Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration as required in the *Australian Charities and Not-for-profits Commission Act 2012*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

### Emphasis of Matter – Basis of Accounting

We draw attention to Note 2 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting responsibilities under the *Australian Charities and Not-for-profits Commission Act 2012*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

### Information Other than the Financial Report and Auditor's Report Thereon

Those charged with governance are responsible for the other information. The other information comprises the information contained in the Group's Directors' Report for the year ended 30 June 2023 but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of Management and Those Charged with Governance for the Financial Report**

Management is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting and for such internal control as management determines 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.

In preparing the financial report, management is responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Report**

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- We communicate with the those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during the audit.

*Crowe Audit Australia*

**Crowe Audit Australia**



**John Zabala** FCA  
Partner

16 October 2023  
Brisbane