

ANNUAL REPORT 2017



STEPPING STONE HOUSE
HELPING YOUTH BUILD THEIR FUTURE



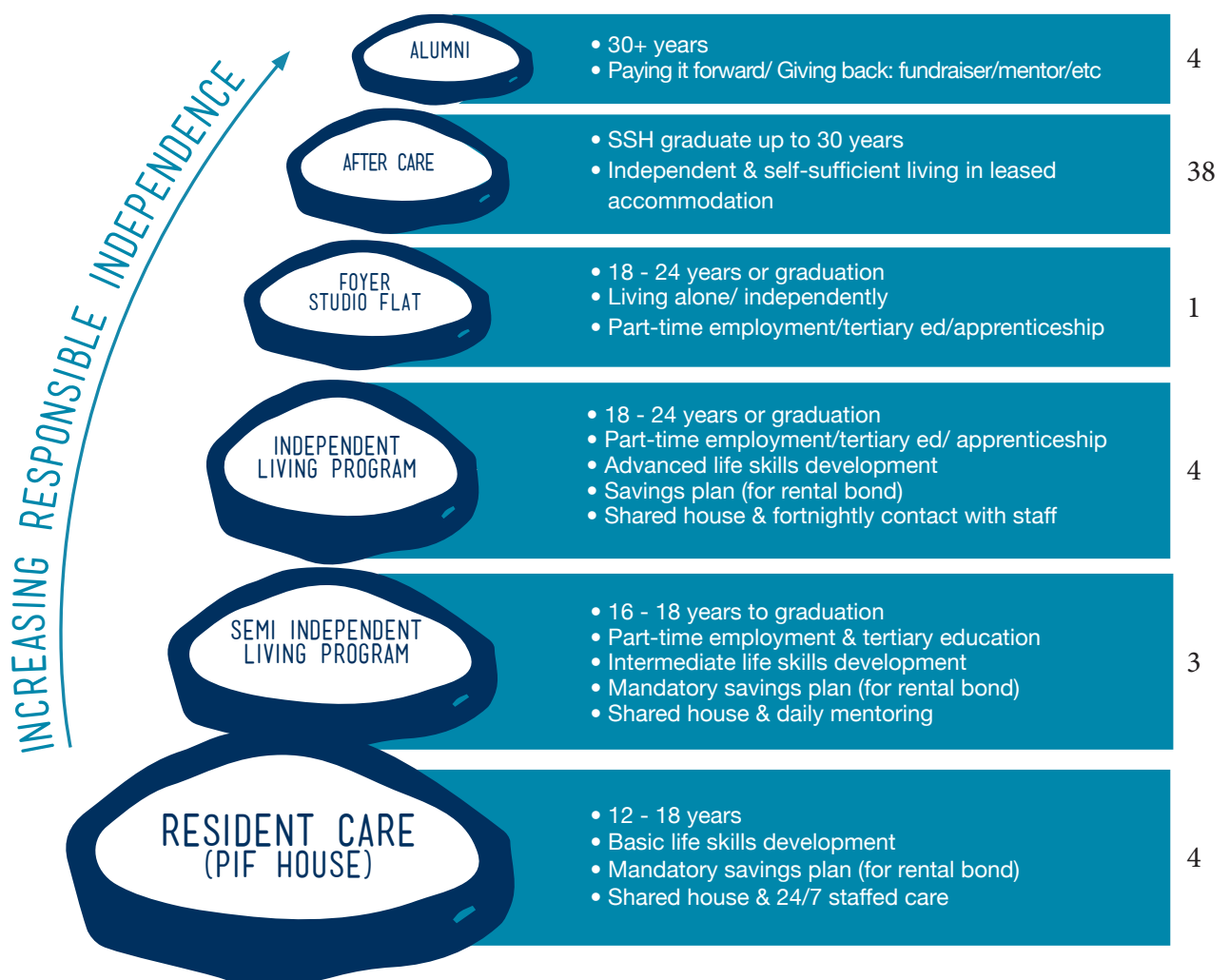


HELPING YOUTH BUILD THEIR FUTURE

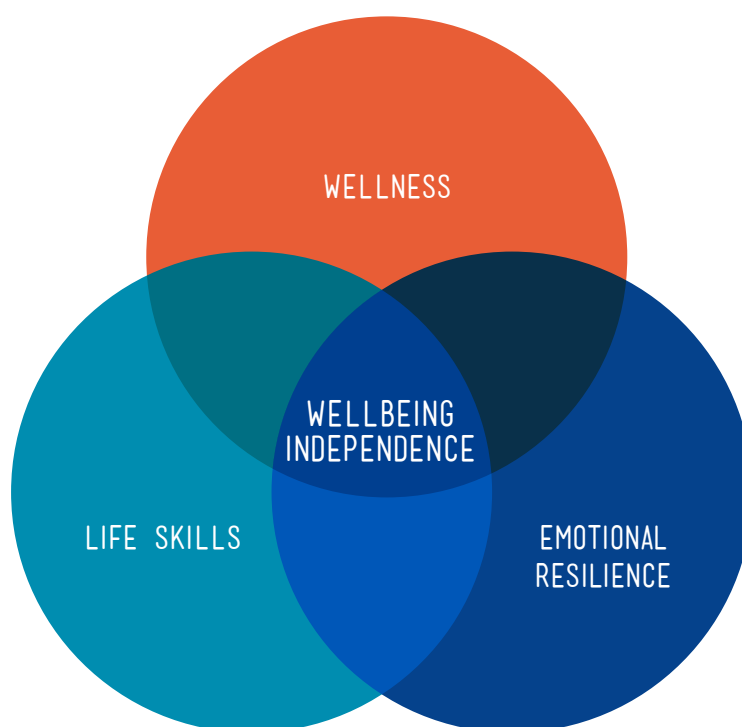
Sydney Stepping Stone Inc. operating as Stepping Stone House (SSH) was founded in 1989. SSH is a community-based charity providing accommodation and personal development for homeless and at-risk children and young people aged 12-25 years old so that they can fulfil their potential.

SSH provides support for 50 youth with 12 living in 4 homes across 2 properties and a further 38 being supported in the aftercare program.

The children and young people of Stepping Stone House are supported through a progressive set of programs within the “Stepping Stones to Independence”:



Stepping Stone House supports children and young people to achieve independence and well-being through focus in the following three key areas:



Stepping Stone House provides support for homeless and at-risk youth with:

- Accommodation
- Therapeutic care
- Adventure Education to build emotional resilience
- School and Tertiary Education support
- Practical Employment and Career Development Programs
- Restoration to their families or significant others
- Life skills workshops
- Confidence-building Empowerment camps
- Cultural Competence camps
- Mental Health
- Duke of Edinburgh Award Scheme
- Volunteering
- Mentors
- Financial management

SSH was incorporated under the Association Incorporation Act 1984. SSH is governed by a Board and its Constitution is in accordance with the new Associations Incorporation Act of 2009.

PHILOSOPHY OF CARE

SSH supports young people on their journey to independent living and improved wellbeing.

- We pursue every opportunity to INSPIRE youth to have the confidence to pursue their dreams and purpose.
- We aim to give children and young people wonderful childhood memories.
- We engage young people with passion, energy and creativity, focusing and building on individual strengths and experiences.
- We believe community is key to the success of young people thus actively integrating both our service and young people into the local and broader community is paramount in all we do.
- We support young people to be the best they can be by providing professional casework practice, a nurturing therapeutic environment focusing on strengths and positive role modelling.
- We value education and provide opportunities to learn about life and decision making.
- We provide a safe, stable and consistent environment with individual focus on the physical and emotional needs of young people.

CHAIR'S MESSAGE 2017

MEASURING OUR ACHIEVEMENTS, EVERY STEP OF THE WAY

Working as a youth worker and volunteering at Stepping Stone House (SSH) allowed me to see first-hand what the young people we work with can achieve for themselves with the support of our programs. However, it is often hard to explain to someone outside of the organisation just how effective these programs can be, or to accurately analyse how they can be improved.

Since accepting the role of Chairperson at SSH, I have busied myself with two questions that I feel can never be asked frequently enough: 'What is our mission?' and 'How do we know when we have achieved this mission?'

What do we want for the young people in our care? We want the same for them as we would want for our own children. We want them to be happy and healthy.

Formally, SSH's aim is to 'enable our residents to live a life they value'. This is a powerful, and transformative goal. It offers freedom for success to be defined by each individual person. However, if success looks different for everyone, what can we measure to help us determine where programs are working, where they are not, and when our mission has been achieved?

Caring about wellbeing

Arguably the main factor influencing a person's ability to live a life they value is their wellbeing. The World Health Organisation defines wellbeing as being distinct from happiness, which can come and go. Wellbeing is a consistent state of wellness, satisfaction and contentment. We want our residents to not only improve their wellbeing, but to have the opportunity to achieve the same level of wellbeing as any other Australian.

SSH has found a social start-up called Huber Social that specialises in measuring a person's wellbeing over time. They have already run successful trials with us that have shown improvement in the wellbeing of our young people. Huber will now measure the progress of our residents on a quarterly basis in 2018.

Spending wisely

We want to use the results to understand to what extent the different parts of our care model contribute to a person's wellbeing. How important is it for our young people to do outdoor activities? Will increasing the maximum number of people in a house affect their wellbeing?

These are some of the questions we are asking ourselves, and we are trying to get answers that are supported by data instead of opinion. The aim is to offer those services that increase someone's wellbeing the most, in the shortest amount of time, at the lowest cost possible. As a board, measuring the wellbeing of our young people will give us the transparency we need to govern our operations responsibly and to achieve the best possible outcomes for our most important stakeholders.

Big problems require big solutions

SSH is one of the smaller service providers in Australia. Size matters for two reasons. First and foremost, there are still far more young people in need of services like ours than there are service providers. This is especially true for the young people we take care of. They are not under the guardianship of community services, which means they don't have any funding sources behind them.

The 'bigger is better' reasoning means that new funding models like impact investing and bonds have so far only been awarded to large institutions. Smaller organisations like SSH are seen as higher risk or simply too small to make a significant difference.

To make a transformational difference in the lives of young people at the scale it is needed, we will need to come up with a radical new strategy to increase our footprint. I urge anyone who would like to be involved in this to contact me directly.

Being able to point to our results will help us to grow the organisation in line with our ambitions. It will also give Stepping Stone House and its young people a chance to regularly reflect on and celebrate what we have achieved together. There is nothing like being able to answer the most important questions with confidence.



JEROEN BOLLUIJT
Stepping Stone House, Chair



2017 RESULTS

+44%

SHIFT IN WELLBEING
FOR CURRENT SSH
RESIDENTS
COMPARED TO
BASELINE

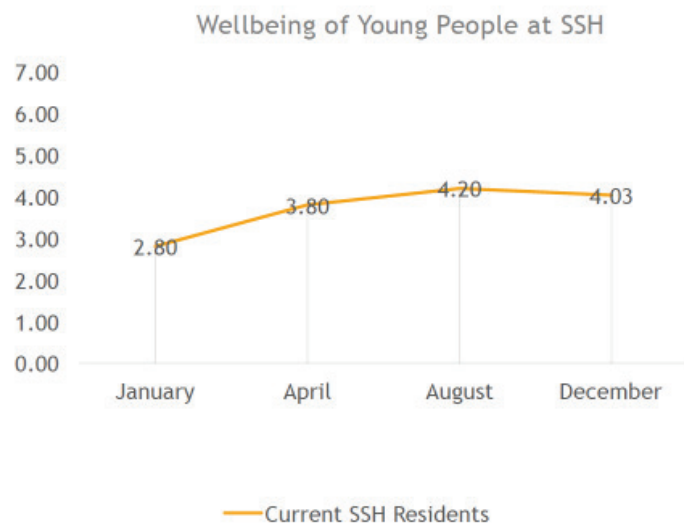
5.5/7

AVERAGE
WELLBEING SCORE
OF GRADUATES
WITH A 96%
INCREASE AGAINST
SSH BASELINE

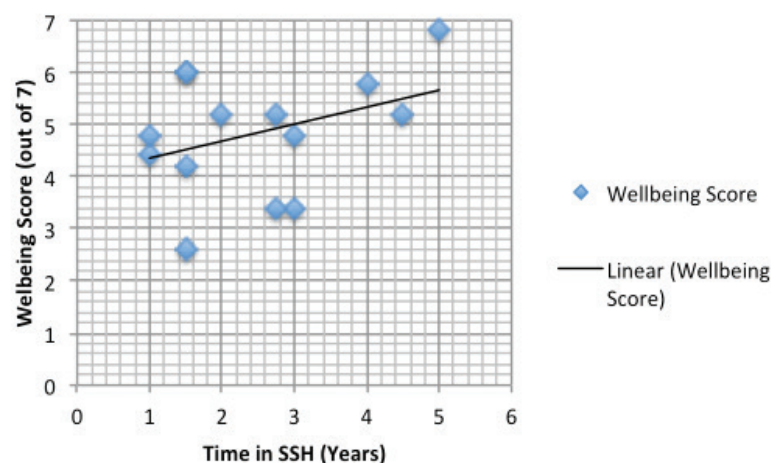
HIGHEST SCORING FACTORS

- Self Acceptance
- Communication Skills
- Relationships
- Mental Health
- Education and
- Employment

The measurement plan is tracking progress of individuals in each program at Stepping Stone House and showing strong positive shifts for the current residents.



Initial data supports the SSH model that offering long term care (time in SSH) creates higher levels of Wellbeing (positive correlation).



LOWEST SCORING FACTORS

- Money Management
- Vulnerability with Others

LIFE AFTER STEPPING STONE HOUSE

5.3/7

AVERAGE
WELLBEING SCORE

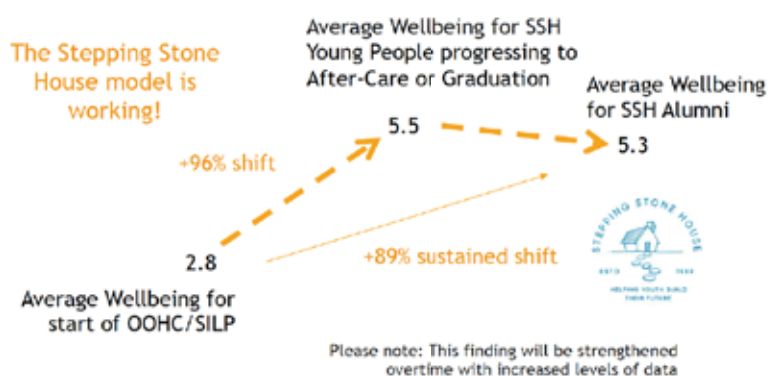
+89%

HIGHER LEVELS OF
WELLBEING COMPARED
TO SSH BASELINE
MEASUREMENTS

SUSTAINED POSITIVE OUTCOMES OVER TIME

- 33% home owners and 45% renting
- 78% are currently employed
- 56% report earning enough income to live comfortably
- 89% completed higher education qualifications
- 0% been in juvenile justice or correctional system

In November 2017, Huber Social and Stepping Stone House reached out to a sample of former Stepping Stone House residents to measure how their lives are tracking since leaving Stepping Stone House.



Results will be strengthened with additional data. This sample only included 9 alumni compared with the current SSH residents.

HIGHEST SCORING FACTORS

- Financial Management
- Housing
- Employment
- Health Management
- Daily Life Skills

"I am scared to think where my life would have ended up if I didn't meet the family at Stepping Stone House"

"They have set real foundations for me to excel in life. I have just bought a house in Melbourne"

CEO'S REPORT

In many ways, this has been a “charmed year” for Stepping Stone House. The key is that we have ended the year with all our homes, children and young people in a peaceful place thanks to our excellent team and the introduction of innovative programs.

Early in the year, we made a clear strategic decision to employ highly qualified and experienced staff and we achieved just that. Over half of our care team have a relevant degree and extensive therapeutic care experience, which has literally revolutionised the care and development given to our children and young people, resulting in a significant lift in their wellbeing, independence and demonstrated life skills.

Other key achievements have included:

- Expanded our After Care Program to now include 38 former residents up to 30 years of age whose parents are not there to give advice.
- Formalising an Alumni Program where our former residents over 30 “pay it forward”, becoming role models for our current residents or providing other assistance such as speaking at our fundraising events.
- Increased restoration of our young people with their families or significant people in their lives through improved case work.
- Converted a detached garage into a self-contained flat so that our youth can complete their tertiary education and prepare themselves for an independent life when they graduate and leave Stepping Stone House.
- Introduced the Duke of Edinburgh Award Scheme to our residents so as to broaden their horizons, develop their leadership skills and give them a differentiator in securing employment.
- Introduced a ‘Drive to Freedom’ Program in partnership with Goodman Foundation and DHL Express Australia to aid our residents in achieving this significant life skill.
- Completed a study of our former residents to see how they have progressed and measure sustainable outcomes the Stepping Stone House model facilitated.
- Introduced a Wellbeing Framework which determines the outcome of each young person during a fixed period at Stepping Stone House. We have seen a 34% lift in their wellbeing over the last 12 months.

To illustrate how these milestones occurred, it is worth reflecting on the achievements of one of our recent graduates, Megan*, an amazing young woman who escaped family violence and was with us for over 18 months. In the time that she lived with our little family, she achieved the following skills:

- Main speaker at 2016 Sleep Under the Stars fundraiser.
- Completed TAFE qualification in Events Management.
- Passed driving test thanks to the ‘Drive to Freedom’ program.
- Active participant in adventure education programs, including summiting Mt Kosciuszko, camping in zero degrees Celsius, swimming in waterfalls and learning to ski.
- Is setting up her own Events Management company and has her first event coming up.
- Addressed the emotional challenges she had prior to coming to SSH.
- Learnt over 100 life skills.
- Engaged with a mentor.
- Moved into private rental accommodation.

We wish this inspiring young person the best of luck and can't wait to hear about her future endeavours!

As has been our focus for the last 28 years, in addition to therapeutic care, Stepping Stone House continues to develop the resilience and independence of our young people through a very active adventure education program, personal development and life skills focus. This year we formalised a partnership with Raise Foundation,



who provide us with highly trained mentors for our children and young people, with the aim that the mentors stay in touch and continue to give our young people advice into their adult lives.

The loss of funding from Family and Community Services next year will see us place greater emphasis on developing increased funding through corporate and private funding together with fundraising events. We will also lift our branding presence so that Stepping Stone House becomes a household name and is synonymous with achieving social impact and outcomes for young people who are homeless or unable to live at home. We will continue to follow our strategic plan to scale our services and support more young people who so desperately need the outcomes we consistently achieve.

I extend a sincere thanks to those donors, companies and organisations who are the backbone of our funding and support: Stepping Stone Foundation, Kennards Hire, Property Industry Foundation, Kennards Self Storage, Raise Foundation, Goodman Foundation, BGC Partners, Mulford Plastics, Huber Social and Manning & Co.

I am also grateful and privileged to work with an intelligent and supportive board. My thanks to Jeroen and all our board members.

Finally, I would like to take this opportunity to express my deepest gratitude to all of our staff and volunteers for their dedication and ability to inspire our young people to become independent and build brighter futures.

**Name changed to protect her identity*

JASON JURETIC
Chief Executive Officer

Initiatives

In the coming year, we plan to introduce a number of initiatives, including:

- *Acquire an additional house to accommodate four more young people.*
- *Increase the number of Aboriginal youth supported within the SSH programs.*
- *Introduce a cultural competency program.*
- *Successfully transition to supporting children and young people in Voluntary Out-of-Home-Care and Supported Out-of-Home-Care, with the loss of FACS funding for Out-of-Home-Care youth.*
- *Diversify non-government income through multiple income streams, with a particular focus on significantly lifting the Sleep Under the Stars event.*
- *Introduce an end-of-year revue delivered by the children and young people to thank key donors and share their future plans.*
- *Further refine the restoration program to support young people in returning to their families or to a significant person in their life.*
- *Introduce coming-of-age programs, 'The Making of Men' and 'Girls to Women', designed to support boys and girls to successfully make a safe, healthy transition from children to young adults, with a particular focus on facilitating rites of passage.*
- *Introduce a career development program to aid young people to secure a job and develop a career path.*
- *Review and select an evidence-based model of care to ensure consistent care for children and young people in the years to come.*
- *Introduce technology management systems to manage our resident details and donor details.*

HOUSE COORDINATOR REPORT

Another year has passed and it is with a great sense of pride that I can report our children and young people are a much happier bunch of vegemites and we have the evidence to prove it! The wellbeing surveys completed by our residents shows that their wellbeing has improved by an average of 34% over the last year.

So how has this been achieved? This year we have placed increased emphasis on driving up the quality of service delivery across all five programs. We have also increased the employee training and development so our staff have the skills necessary to respond to youth when they are in a crisis situation. Therapeutic Crises Intervention training was delivered to our staff team.

In addition to our focus on therapeutic care and wellbeing is our continued use of Adventure Education. This has proven over the last 28 years to improve the sense of self-worth of our youth as well as their connections with the staff team. This year our residents have pushed their boundaries with an abseiling adventure (a challenge also to the staff),

put their endurance to the test with a two day Coastal Track hike, tested their flexibility and adaptability with a surf camp in the rain and a snow camp with not much snow! Throughout all the challenges faced, and obstacles overcome, the thing that shone through for me was the voice of our young people talking about the impact these activities has on them.

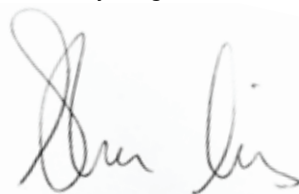
This year we also delivered a number of innovative initiatives and programs with the focus of improving the wellbeing and life skills of our children and young people. These included:

- Resilience Project – a 21 day project where our youth developed Mindfulness, Empowerment and Gratitude through the maintenance of the daily journal where they set out what they are grateful for and learned to meditate.
- Achieving your dreams workshop - all our residents were assisted to pinpoint their individual dreams and goals with the aim of inspiring them to reach their best potential, creating a compelling future and helping them overcome roadblocks to success.
- One on one interventions - with the youth in the residential program this was achieved through individual overnight trips to the FitzSimon's farm to complete a Map and Path program where our young people address key issues in their lives.
- Empower U personal development course – thanks to the fantastic folk at Tomorrows Youth our over 18 year olds attended a weekend and week long Empower U course to identify their purpose, develop their goal setting skills, resilience, financial skills and emotional intelligence.



The theme this year really was that we have created an environment that provides a sense of connectedness and acceptance that some of our residents had not experienced before. We also had the privilege of celebrating 3 milestone birthdays this year with 2 of our residents turning 18 and 1 resident turning 21. We have introduced a tradition where we provide our residents with a "Wonderful Childhood Memory" for each of their milestone birthdays. This year one resident will be climbing the Sydney Harbour Bridge which has been on her bucket list for many years, another resident rode in a Ferrari and another tried indoor skydiving which has inspired her to go and do the actual thing. And better still, all these experiences were donated!

This year has also marked a significant period of change for Stepping Stone House. In 2018 we will be moving away from statutory funded care and returning to a community and corporate funded service just like our origins 28 years ago. This change provides us with an opportunity to continue to grow, develop and refine our unique model of care which has proven to have been so effective for so many youth. Surrounded by one of the most dedicated and hardworking teams I have ever worked with I am so excited to see what the new year will bring as we continue to strive for excellence in everything we do.



SHANA LEWIS
House Co-ordinator



CHAIR'S MESSAGE 2017 STEPPING STONE FOUNDATION



THE RELATIONSHIP

Stepping Stone House (SSH) under its corporate name Sydney Stepping Stone Inc (SSSI) is a non-profit "charity". It was set up 28 years ago to provide accommodation and programs for homeless teenagers to bring them to independence.

In 2003, Stepping Stone Foundation, a charitable trust of which I am Chairman, was created and its beneficiaries are the homeless teenagers (currently 12 in number) who are within the programs conducted by SSH in the 2 houses at Dulwich Hill.

Over the years, the Foundation has been managed with the aim of putting monies aside for an emergency or cuts in Government funding. The priority has always been to ensure that a large enough fund is in reserve, enabling Stepping Stone residents to be cared for until such time as they are ready for independence.

There is a report to supporters 2 or 3 times a year on the outcomes as to teenagers in SSH's programs. We work with the Board of SSSI which is the operating arm of the charity.

I want to update you with several of our young residents' current position. Peter has done his HSC, completed a Hospitality Course and now has started employment with Woolworths. His only problem is he wants more hours of work. Sam who had been the subject of numerous serious incidents at SSH, greeted me as I was going to a House meeting. When I asked how things were going, Sam said "It's been amazing here over the last few months". What about School? "Oh that's great too". Sam maintains contact with a mentor (one of our former residents) and has been involved in the recent Huber survey which assessed an overall wellbeing improvement. Jane, is an ex-resident, now about 30 years. She is happily married with 2 children and is her husband's carer for his mental disability. They live in a Metro Housing unit and she will resume her study of Law in 2018.

FUNDING

It was surprising to be notified that the FACS funding for 4 residents will not be renewed. It seems that only much larger organisations will receive this type of funding. This decision is a change of direction by the Government and not one based on SSH's performance. One of our loyal supporters, who works with families, said about this: "It is the small services that get the good results". Our 4 FACS residents were taken by us, at the behest of the Government, in good faith, and very often were outside the normal criteria for our service e.g. they had very traumatic pasts including self-harming, abuse, etc. As a result it was necessary to increase staffing resulting in a substantial increase in costs. This has been a hard and long haul for the staff to turn these young people around. SSH will certainly not compromise the standard of care for those such as Sam.

To fill the gap caused by the lack of funding in the 2017/18 financial year, SSH has reduced staff and will increase donations and fundraising with a special accent on the 'Sleep Under the Stars' event on 27 October.

SSH's new Chairman, Jeroen and its CEO, Jason are to be commended for their efforts this year.

In June last, I urged the private sector, which is the lifeblood of SSH, to respond to this transitory hiccup. There was a most generous response to this plea for which I am most grateful.

OUR NEW PROJECT

It is to purchase another Independent Living house not far from our present locations for over 18 year olds. It will accommodate two to three Aboriginal young people in line with SSH's Independent Living Programs. This house will be paid for by the Foundation and the SSH management team will engage two Aboriginal consultants, one of whom is Gail Daylight, for advice on the choice of occupants and staffing of the proposed new house. This will cost about \$80,000 a year to run and we need further support for this. If you can help my email address is below.

INDEPENDENCE

This is the vital ambition for our young people in the programs. What has emerged in recent years is that young people at 18 years of age are staying at home and not ready to go out into the world. SSH has extended its age limit to 25 years.

The aim to focus on independence is a parental one. SSH has to take on that role.

"All parents of whatever species, raise their offspring with one central ambition, to make them independent. We grow them to let them go, it's the crux of the matter" - so said Joanna Moorehead in The Tablet on 30 September 2017.

Our young people have or have had tenuous links with their parents. It is therefore the Stepping Stone mentors or staff who continue the narrative of their lives. I had a phone call this week from **Jane** who invited me to her child's third birthday party when a Jumping Castle would be operating at Waterloo Park. I also received assistance last week on an IT problem from **Corey** (another ex-resident). Both of these young adults have moved to independence very successfully. This is the story of most of the young people who have been through the SSH programs.

SSSI is on target to meet the shortfall in Government funding. We at the Foundation are providing about 30% of its needs. We monitor the progress of the charity so that young people move to effective independence. Our new ILP project will fulfil that aim.

* Names changed to protect identities.



MAXWELL J CONNERY OAM
Chairman, Stepping Stone Foundation
VE: maxconnery@connery.com.au



BOARD MEMBERS

(ALL BOARD MEMBERS ARE VOLUNTEERS)

Jeroen Bolluijt – The Chair

Jeroen Bolluijt is a global entrepreneur with more than two decades of business experience that extends across Australia, The Netherlands, USA and Europe. From running his own tech start-ups to co-founding an incubator with Deloitte in The Netherlands and advisory roles with industry associations in the areas of best practice standards; Jeroen brings a comprehensive range of skills and experience to assist businesses solve their most complex and challenging problems.

Susan Alexander OAM – Vice Chair

Susan Alexander majored in Psychology and Philosophy in her Arts degree at Sydney University and then obtained a Master of Arts (Psychology) and was awarded the Simmett Prize. She has worked in Child Welfare and Youth & Community Services as District Manager and CEO of Western Sydney Development Disability Service and was responsible for three large Residential Centres with 530 clients, 789 staff and an operating budget of \$32 million. She worked as a private consultant and was contracted as Regional Director for various DOCS Centres. For 8 years she worked in the NSW Office of the Children's Guardian as Principal Policy Officer.

Susan now works in the NSW Ombudsman's Office with children in Out-of-Home Care as an Official Community Visitor and Regional Convenor. Her various voluntary positions in the Non-Government Sector included being on the Board of Marist Youth Care and acting as mentor to the CEO and Chair of the Audit & Risk Committee. Since 2008 Susan has acted as Voluntary Consultant to the SSH Chair and joined the Board in 2014. Susan was awarded the Medal of the Order of Australia in 2016 for her services to the community, particularly children's welfare.



Melanie Leijer - Treasurer

Melanie Leijer is a Chartered Accountant and has a Bachelor of Economics, a Master in Business Administration and is a Graduate of the Institute of Company Directors. She has over 20 years experience in finance, treasury, strategy and operations. Most recently Melanie was Head of Business Operations for Lendlease Retirement Living and previously the Assistant Treasurer for Lendlease Corporation. Melanie joined the Board in April 2015.

Simon Bird

Simon Bird is a Fellow of the Australian Institute of Company Directors and former Director and Fellow of CPA Australia. Simon has accumulated over 30 years corporate experience. This includes roles as Chief Executive Officer and Chief Financial Officer with large public companies together with Directorships on listed company boards and not-for-profit organisations. As part owner of two child care centres and parent of two adult children, he has a keen interest in the welfare of our youth. Simon joined the Board in February 2016.

Irene Craig

Irene Craig has worked in Out of Home Care and Child Protection for over 30 years. She was responsible for the direct management of residential services before moving into senior management positions. Irene has managed foster care, out of home care and child protection services. She worked in the United Kingdom for 5 years in senior management positions with responsibility for the management of children's services, contracting and quality assurance. Over the past 4 years Irene has been working as an Official Community Visitor. She visits out of home care services and disability services.

Irene studied for her Bachelor of Social Work degree at the University of NSW. She has completed further studies relating to the emotional development of children, child protection and management. Irene joined the Board in February 2016.



John Warburton

John Warburton is a Trustee of Stepping Stone Foundation and joined the Board in 2015. John is a retired solicitor having practised with a major Australian law firm for over 40 years. He is currently an Associate Member of the Whale Beach Surf Club and is on the Committee of the Palm Beach & Whale Beach Association Inc.



Jim Batchelor

Jim Batchelor is Managing Director of Universal Sony Pictures Home Entertainment; a Joint Venture that distributes film and TV content for a number of Major Hollywood and Local Studios. Jim has worked both in Australia and Internationally in a number of Senior Commercial Roles. Jim's experience is broad across Sales, Buying, Marketing and Change Management.

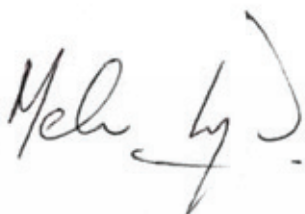


TREASURER'S REPORT

For the year ending 30th June 2017

Attached are the Audited Profit and Loss & Balance Sheet for the year ending 30 June 2017. I say:

1. That all monies due to the company have been collected and received and that all payments authorised by the company have been made; and
2. Correct books and accounts have been kept showing the financial affairs including the full details of all receipts and expenditure connected with the activities of the company.



MELANIE LEIJER

Treasurer

October 2017



FINANCIAL REPORT

For the year ended 30 June 2017

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Detailed Profit and Loss Statement
Income Statement

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Balance Sheet

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Directors' Declaration

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Independent Auditor's Report

EMERSON RANDELL YOUNG

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SYDNEY STEPPING STONE INC.

PROFIT AND LOSS STATEMENT

For the Year Ended 30th June 2017

	NOTE	2017	2016
INCOME		\$	\$
Dividends Received		-	72
Interest Received		1,869	3,292
Other Income		4,495	4,131
Family and Community Services		1,014,719	751,385
Donations		178,229	93,900
Institutional Donations		258,439	291,310
Fund Raising Events		256,501	158,881
ADHC		-	22,883
Residents Contributions		33,109	32,001
SSI Foundation		394,970	147,140
Total Income		2,142,331	1,504,995
EXPENDITURE			
Accountancy Fees		10,724	9,159
Auditors Remuneration		900	900
Consultancy/Agency Staff		88,899	17,321
Depreciation		14,899	17,670
Resident Expenses		120,382	116,975
General Expenses		20,177	18,183
Insurance		47,253	78,528
Legal Costs		2,462	750
Motor Vehicle Expenses		17,917	12,108
Property Rental		240,046	29,524
Salaries		1,146,807	987,226
Annual Leave Expense		24,138	7,731
Staff Training & Welfare		27,004	15,447
Superannuation Contributions		103,166	90,433
Computer Expense		13,000	5,671
Fundraising Expenses		50,199	34,269
Total Expenditure		1,927,973	1,441,895
Profit		214,358	63,100

SYDNEY STEPPING STONE INC

BALANCE SHEET

As at 30th June 2017

	NOTE	2017	2016
CURRENT ASSETS		\$	\$
Cash and Cash Equivalents	2	705,645	326,255
Trade and Other Receivables	3	12,127	102,090
Total Current Assets		717,772	428,345
NON-CURRENT ASSETS			
Property, Plant and Equipment	6	167,676	132,583
Other Non-Current Assets	5	2,240	880
Total Non-Current Assets		169,916	133,463
Total Assets		887,688	561,808
CURRENT LIABILITIES			
Trade and Other Payables	7	13,636	6,376
Current Tax Liabilities	4	18,105	15,319
Financial Liabilities	8	25,883	15,948
Short Term Provisions	9	86,119	61,913
Other Current Liabilities	10	67,335	-
Total Current Liabilities		211,078	99,556
Total Liabilities		211,078	99,556
Net Assets		676,610	462,252
EQUITY			
Reserves	11	364	364
Retained Profits	12	676,246	461,888
Total Equity		676,610	462,252

SSH 2017

REGATTA AND BRIDGE DAY
MARCH 2017



The 18th Annual Regatta was held on Thursday 16 March at the Royal Sydney Yacht Squadron, Kirribilli and for the first time in our Regatta's history the rain came down. Not one boat, sponsor or participant flinched as heavy rain and squalls lashed the harbour throughout the day. By start time at 2pm the rain had eased and it stayed away for the duration of the race allowing the fleet to enjoy the 18 knot breeze albeit under grey skies.



There was an exciting TP52 match race between Syd Fischer's "Ragamuffin" and Paul Clitheroe's "Balance" and for the second year running "Balance" won the Stepping Stone House Cup. In the Farr 40 "Bledisloe Challenge", the Australian Wallaby, Ross Reynolds defeated our favourite "All Black" David Kirk.

There were 27 yachts in the two racing divisions and over 280 'yachties' and supporters returned to the Club to enjoy the prize giving and fun that ensued following a great day's sailing.

The **Bridge Day** on Tuesday 14 March again proved to be a successful precursor to this regatta. Over 100 ladies had a wonderful day playing Bridge and raising funds.

Stepping Stone House was delighted with the outcome over the two days raising to the order of \$120,000 which will go towards the cost of accommodating and caring for our vulnerable young people.

Special thanks to the Regatta and Bridge Committee for an amazing job. We are grateful also to the Royal Sydney Yacht Squadron Kirribilli for their ongoing support in making both days possible so that funds can be raised for the young people of Stepping Stone House.

Our 2018 **Regatta is on Thursday 8 March** and the **Bridge Day on Tuesday 6 March**. Both events will take place at RSYs Kirribilli.



SYDNEY STEPPING STONE INC. NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 30th June 2017

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

The directors have prepared the financial statements on the basis that the company is a non-reporting entity because there are no users dependent on general purpose financial statements. The financial statements are therefore special purpose financial statements that have been prepared in order to meet the needs of members.

The financial statements have been prepared in accordance with the significant accounting policies disclosed below, which the directors have determined are appropriate to meet the needs of members. Such accounting policies are consistent with the previous period unless stated otherwise.

BASIS OF PREPARATION

The financial statements have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes. The accounting policies that have been adopted in the preparation of the statements are as follows:

(a) Cash and Cash Equivalents

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

(b) Provisions

Provisions are recognised when the company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(c) Employee Benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits have been measured at the amounts expected to be paid when the liability is settled, plus related oncosts.

(d) Property, Plant and Equipment

Property, plant and equipment are carried at cost, independent or management valuation. All assets, excluding freehold land and buildings held for investment, are depreciated over their useful lives.

The depreciation method and useful life used for items of property, plant and equipment (excluding freehold land) reflects the pattern in which their future economic benefits are expected to be consumed by Sydney Stepping Stone Inc. Depreciation commences from the time the asset is held ready for use. Any leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The useful lives used for each class of depreciable asset are considered to fall within standard parameters. Standard rates of depreciation have been used for each class of asset.

(e) Borrowings

Loans are carried at their principal amounts which represent the present value of future cash flows associated with servicing the debt. Interest is accrued over the period it becomes due and is recorded as part of current payables.

(f) Trade and Other Receivables

Trade receivables are recognised initially at the transaction price (i.e. cost) and are subsequently measured at cost less provision for impairment.

At the end of each reporting period, the carrying value of trade and other receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. If so, an impairment loss is recognised immediately in the financial statements.

(g) Revenue and Other Income

Revenue is measured at the value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. For this purpose, deferred consideration is not discounted to present values when recognising revenue.

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

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

(h) Trade and Other Payables

Trade payables are obligations on the basis of normal credit terms and do not bear interest. They are recognised at their transaction price.

NOTE 2: CASH AND CASH EQUIVALENTS

Cash and Cash Equivalents	2017	2016
	\$	\$
Petty Cash	1,809	239
Cash at Bank		
SSH Everyday #252769	313,813	55,127
Fuel the Individual #252777	19	4,019
FACS a/c #952061	86,146	1,358
Theatre Fund & Burwood Council #928889	18,091	17,966
227 OOH Rent #932386	30,635	17,803
WBC Petty Cash #952053	97	1,405
SSH Bonus Interest #252785	111,926	81,195
Property Improvement & Maintenance	143,109	147,143
Total Cash And Cash Equivalents	705,645	326,255
Cash Reconciliation		
Cash and Cash Equivalents	705,645	326,255
	705,645	326,255

NOTE 3: TRADE AND OTHER RECEIVABLES

Current	2017	2016
	\$	\$
Sundry Debtors	11,927	20,965
Trade Debtors	200	81,125
	12,127	102,090
Total Trade And Other Receivables	12,127	102,090

NOTE 4: TAX ASSETS AND LIABILITIES

Current	2017	2016
	\$	\$
Liabilities		
PAYG Payable	18,105	15,319
Net Tax Liabilities	(18,105)	(15,319)



NOTE 5: OTHER ASSETS

Non-Current	2017	2016
Rental Bond		
Canterbury Road	880	880
Wardell Road	1,360	-
	<u>2,240</u>	<u>880</u>
Total Other Assets	2,240	880

NOTE 6: PROPERTY, PLANT AND EQUIPMENT

	2017	2016
	\$	\$
Property Improvements	133,968	90,062
Less Accumulated Depreciation & Impairment	(14,252)	(10,823)
	<u>119,716</u>	<u>79,239</u>
Total Land And Buildings	119,716	79,239
Motor Vehicles	63,597	63,597
Less: Accumulated Depreciation	(41,713)	(36,670)
	<u>21,884</u>	<u>26,927</u>
Office Furniture & Equipment	99,585	93,559
Less: Accumulated Depreciation	(73,509)	(67,142)
	<u>26,076</u>	<u>26,417</u>
Total Plant And Equipment	47,960	53,344
Total Property, Plant And Equipment	167,676	132,583

NOTE 7: TRADE AND OTHER PAYABLES

Current	2017	2016
	\$	\$
Sundry Creditors	-	116
Trade Creditors	190	-
Other Creditors	13,446	6,260
	<u>13,636</u>	<u>6,376</u>
Total Trade And Other Payables	13,636	6,376

NOTE 8: FINANCIAL LIABILITIES

Current	2017	2016
	\$	\$
Resident Savings	25,883	15,948
Total Current	25,883	15,948
Total Financial Liabilities	25,883	15,948



NOTE 9: PROVISIONS

Current	2017	2016
	\$	\$
GST Payable	15,502	16,482
Provision For Holiday Pay		
Provision for Holiday Pay	57,753	37,206
Provision For Long Service Leave		
Provision for Long Service Leave	3,590	-
Superannuation Contributions Surcharge		
Superannuation Contributions Surcharge	9,274	8,225
	86,119	61,913
Total Provisions	86,119	61,913

NOTE 10: OTHER LIABILITIES

Current	2017	2016
	\$	\$
Income In Advance	67,335	-
	67,335	-
Total Other Liabilities	67,335	-

NOTE 11: RESERVES

General Reserve	2017	2016
	\$	\$
Opening Balance	364	364
Closing Balance	364	364
Total Reserves	364	364

NOTE 12: RETAINED PROFITS | ACCUMULATED LOSSES

	2017	2016
	\$	\$
Retained Profits at Beginning of Financial Year	461,888	398,788
Add		
Net profit attributable to members	214,358	63,100
Retained Profits At 30 June 2017	676,246	461,888

NOTE 13: COMPANY DETAILS

The principal place of business is:

Sydney Stepping Stone Inc. 227 Wardell Rd Dulwich Hill NSW

The principal activities of the company include:

Stepping Stone House provides an accredited out-of-home-care residential service providing medium to long term accommodation in a Federation house at Dulwich Hill, Sydney.

SYDNEY STEPPING STONE INC. DIRECTORS' DECLARATION

For the year ending 30th June 2017

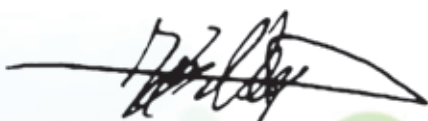
The Directors have determined that the Company is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in the Notes to the Financial Statements.

The Directors of the Company declare that:

1. The financial statements and notes, as set out in the financial report present fairly the Company's financial position as at 30 June 2017 and its performance for the reporting period ended on that date in accordance with the accounting policies described in the Notes to the Financial Statements; and

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

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



JEROEN BOLLUIJT
Director



MELANIE LEIJER
Director

Dated this 10 day of October 2017

SYDNEY STEPPING STONE INC. INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SYDNEY STEPPING STONE INC.

We have audited the accompanying financial report, being a special purpose financial report, of Sydney Stepping Stone Inc. (the Company), which comprises the Balance Sheet as at 30 June 2017, and the Income Statement for the Year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the Directors' Declaration.

Directors' Responsibility For The Financial Report

The Directors of the Company are responsible for the preparation of the financial report, and have determined that the accounting policies described in the Notes to the Financial Statements are appropriate to meet the requirements of the Company's constitution and the needs of the Members. The Directors' responsibility also includes such internal control as the Directors determine is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness

of the entity's internal control.

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

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

Independence

In conducting our audit, we have complied with the independence requirements of the Australian Professional Ethical Pronouncements.

Opinion

In our opinion, the financial report presents fairly, in all material respects the financial position of Sydney Stepping Stone Inc. as at 30 June 2017 and of its financial performance for the Year then ended in accordance with the accounting policies described in the Notes to the Financial Statements.

Basis Of Accounting

Without modifying our opinion, we draw attention to the Notes to the Financial Statements, which describe the basis of accounting. The financial report has been prepared for distribution to members for the purpose of fulfilling the Directors' financial reporting obligations under the company's constitution. As a result, the financial report may not be suitable for another purpose.



ANDREW RIORDAN
Emerson Randell Young
Level 9, 117 York St SYDNEY NSW 2000

Dated this 10 day of October 2017





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